

gentleman from Wisconsin [Mr. LAIRD] will be recognized for 1½ hours.

The Chair recognizes the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I yield myself such time as I may consume.

(Mr. FOGARTY asked and was given permission to revise and extend his remarks.)

Mr. FOGARTY. Mr. Chairman, I am pleased to bring to you this afternoon the annual appropriation bill for the Departments of Labor, and Health, Education, and Welfare, and related agencies. This is the 18th year that I have served on this committee. I am also pleased to announce that we have a unanimous report from our committee.

Mr. Chairman, this year we have had substantial changes in the makeup of the membership of the subcommittee. In fact, we have five new members. We have some of the older members, the gentleman from Indiana [Mr. DENTON], who has served with great distinction on this committee for several years and has been a great supporter of all these programs. Also this year we have the gen-

tleman from Pennsylvania [Mr. FLOOD], one of the outstanding members of the Committee on Appropriations, and the gentleman from Florida [Mr. MATTHEWS], who has been a Member of the House for a long time and has served with distinction. Then we have on the committee the gentleman from Oregon [Mr. DUNCAN], who has been invaluable as a member of this committee. We also have the gentleman from Michigan [Mr. FARNUM], who has been a really hard-working new Member.

On the Republican side we have the gentleman from Kansas [Mr. SHRIVER], who is the new committee member on the minority side who serves with the old members; the gentleman from Illinois [Mr. MICHEL] and the gentleman from Wisconsin [Mr. LAIRD]. They have all been very helpful in the work of the committee. And we have the best clerk, Robert Moyer, on the committee.

Mr. Chairman, extensive hearings have been held. We held hearings since the first week in February and we bring to you today a unanimous report. I will place in the record a summary of the action on the bill.

Department or agency	Appropriation, 1965	Budget esti- mates, 1966	Recommended in the bill	Bill compared with—	
				Appropriations, 1965	Budget estimates, 1966
Department of Labor.....	\$668,316,500	\$588,144,000	\$537,460,000	—\$130,856,500	—\$50,684,000
Department of Health, Education, and Welfare.....	6,985,726,000	7,652,074,000	7,373,020,000	+387,294,000	—279,054,000
Related agencies.....	48,352,500	53,596,000	53,554,000	+5,201,500	—42,000
Total.....	7,702,395,000	8,293,814,000	7,964,034,000	+261,639,000	—329,780,000

#### LABOR-HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1966

Mr. FOGARTY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 7765) making appropriations for the Department of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1966, and for other purposes, and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 3 hours, one-half of the time to be controlled by the gentleman from Wisconsin [Mr. LAIRD] and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Rhode Island.

The motion was agreed to.

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 7765, with Mr. THOMPSON of New Jersey in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous consent agreement the gentleman from Rhode Island [Mr. FOGARTY] will be recognized for 1½ hours and the

Mr. Chairman, just about 90 percent of the bill we bring you today is for grants—grants to State and local governments, school and health facilities construction grants, research grants, and training grants. With the growing public acceptance of grants-in-aid as a means of achieving national goals, there has been more and more of this type of legislation passed in recent years with the result that the Labor, Health, Education, and Welfare appropriation bill has increased each year. This year is no exception. The bill we bring you today totals \$7,964,034,000 which is roughly \$1 billion more than the bill we brought to this House 1 year ago. The bill is \$261,639,000 over the total appropriations for fiscal year 1965, which include rather substantial sums appropriated in supplemental appropriation acts. However, the bill is \$329,780,000 less than requested in the President's Budget.

As is always the case, this bill is the result of compromise. My position is well known to the Chairman and the older Members of this House. There are several places in this bill where I think that much more could be efficiently utilized and that the benefits to the Nation would be more than the cost. However, taken as a whole, I think this is a good bill and I am prepared to support it fully as it stands. While it will do little more than hold the line with some programs, the committee has greatly improved the budget in other areas to provide for some real progress.

Our hearings were quite detailed. The committee heard 230 Government witnesses and 118 public witnesses and Members of Congress for a total of 348 witnesses. The hearing record totals 4,697 pages. These hearings have all been in print for some time and available to Members, and our bill and report have been available for 5 days. In view of this and the fact that there are over 100 appropriation items in the bill, I shall not take the time of the committee to discuss each one in detail.

The 1966 budget for the Department of Labor had several proposals for reorganization of activities. It appeared to the committee that some of these were good and would result in more efficient program management. These have been approved in the bill. However, one of the proposals was to consolidate three major parts of the Department—the Bureau of Employment Security, the Bureau of Apprenticeship and Training, and the Manpower Agency—into one huge Office of Manpower Administrator. This proposal resulted in many violent protests from various quarters. The committee could see many serious disadvantages to this proposal and very little in the way of advantages, and has not approved the consolidation. As in the past, appropriations for these three activities are carried separately in the bill.

The committee has approved the full amount of the request for manpower development and training activities—

\$273,500,000. This was based on the law as it stood in January when the budget was submitted to Congress. Since that time a liberalized program has been enacted and it is my understanding that a rather sizable supplemental request is being drawn up in the executive branch.

A request of \$39,280,000 for "Advances for employment services" was included in the budget. The purpose of this proposed appropriation from general funds of the Treasury was to supplement the appropriation: "Limitation on grants to States for unemployment compensation and employment service administration," for which funds are transferred from the unemployment trust fund. The latter appropriation has a legislative limitation that is included in the Social Security Act, as amended. The \$39 million proposed appropriation would be in addition to the funds that could be used from the trust fund, which were budgeted at the maximum authorization. It appeared to the committee that this was perhaps technically legal, but for practical purposes was simply a way of getting around the legal limitation for these activities. The request has therefore been denied. The bill does include the full legal limitation for transfer from the unemployment trust fund. This amount is \$492,100,000.

For unemployment compensation for Federal employees and ex-servicemen the bill includes \$131 million which is a reduction of \$10 million from the request, but simply reflects a downward trend in payments from this fund that has occurred since the budget was prepared.

The bill includes \$20,905,000 for the Wage and Hour Division, an increase of \$500,000 over the request to restore most of the reduction proposed in the budget for enforcement activities. All of labor, organized and unorganized, and all honest businessmen want to see the wage and hour laws properly enforced. I cannot understand the action in reducing enforcement when there is indisputable evidence of considerable violation of these laws.

The bill includes \$19,601,000 for the Bureau of Labor Statistics. This is approximately \$1 million more than the 1965 appropriation and \$1 million less than the 1966 request. The committee feels certain that this important agency can continue to do a good job—in fact, an even better job—with the funds allowed.

There are several salary and expense items in the Department of Labor that I have not mentioned specifically, but they are all at approximately the current level of operation. In fact, in total there are slightly fewer position provided for in the bill than are provided for by the current appropriations.

In the Department of Health, Education, and Welfare, the first item is the Food and Drug Administration. The budget request was for \$50,352,000 and this amount is carried in the bill. While this is almost \$10 million above the current year's appropriation, it provides very little for anything but mandatory

cost increases and the extremely large load of drug applications that must be evaluated and acted upon. This is workload that is not controllable by the agency, but has been brought about by recently enacted legislation. No increase was included in the budget for basic enforcement activities even though the workload in that area is also increasing somewhat. The Committee reduced the request for buildings and facilities by \$604,000 accounted for by deferral of action on planning funds for additional laboratory facilities in the Washington, D.C., area pending a more detailed study of the possibility of decentralizing such activities.

In the Office of Education the committee approved the budget request for the expanded vocational education program with the exception of the residential schools. The budget request included \$5 million for one residential school to be located in the Washington, D.C., metropolitan area. The Committee has added \$5 million to provide for two such schools but has left the location of each open.

The bill includes \$641,750,000 for higher education facilities construction, which is the amount requested in the budget. This will provide for the full amount of construction grants authorized by the basic legislation.

The committee approved the budget request of \$55 million for grants for public libraries. Personally, I cannot understand the action of the Bureau of the Budget in disallowing \$20 million of the \$75 million requested by the Department for this program. The great need for both additional facilities and for additional funds for operation and maintenance of public libraries is obvious to all who will look. State and local matching funds are available to much more than match the \$55 million appropriated for the current fiscal year and most certainly would be available to match an additional \$20 million in 1966.

For both payments to school districts and assistance for school construction in federally impacted areas, the bill includes the full amount estimated by the Office of Education to be necessary to meet 100 percent of entitlements under existing law.

The bill includes \$412,608,000 for defense educational activities. This is the amount requested and in most instances is the full amount authorized for the various programs that fall under this appropriation. The largest part of the increase over the current fiscal year is for the student loan program and for graduate fellowships which were increased \$34,300,000 and \$25 million, respectively, over the amount available for fiscal year 1965. This increase brings both of these programs to the maximum authorized by law.

For educational improvement for the handicapped, the bill also includes the amount of the budget request, \$21,500,000. This is a small amount compared to the need when one considers that it is estimated that over 300,000 teachers are needed for teaching the handicapped

whereas there are currently only 60,000 in classrooms.

Another extremely popular program is cooperative research in education. The full amount of the budget, \$25 million, is carried in the bill. While there were many that felt this should be at least \$35 million, the majority of the committee felt that the increase of \$9,160,000, provided in the bill, above the amount appropriated for the current fiscal year should be adequate. For educational research using foreign currencies surplus to the normal needs of the United States, the committee has approved the budget request of \$1 million. In connection with all the special foreign currency programs of the Department, it appears that considerable progress has been made in improving procedures so that the programs can move forward and accomplish worthwhile results. The committee feels that where worthwhile results are demonstrated, even though the project might be of somewhat lower priority than would be financed with regular appropriations, that it is desirable to proceed with them using foreign currency that would otherwise not be needed for normal requirements of the U.S. Government.

The request for salaries and expenses of the Office of Education included funds to add 151 positions. It is quite obvious that legislation passed by the last Congress requires considerable additional work in 1966 as these programs go into full effect. However, the majority of the committee felt that an adequate job could be done with 100 additional employees. This accounts for the reduction of \$510,000 from the amount of the request.

The vocational rehabilitation program continues to be one of the most popular, one of the most worthwhile, and one of the most profitable of the programs carried out by the Federal Government. In addition to the great and obvious human benefits, it can be mathematically proven that this program returns to the taxpayers several times the number of tax dollars spent on it. The bill includes the full amount of the request for grants to States, research and training—special foreign currency program—and salaries and expenses. The committee has included, in connection with the regular research and training program, \$300,000, not included in the budget, for two special centers, one for the mentally retarded and one for the deaf. The committee also has included \$100,000 for a thorough study of the national needs for vocational rehabilitation and recommendations as to how these needs can best be met. The bill includes \$200,000 more than the \$45,845,000 requested and will expect that the additional \$200,000 be transferred from other activities financed by this appropriation.

The main change that the committee made in the budget for buildings and facilities of the Public Health Service was to add \$1,670,000 for the Laboratory of Perinatal Physiology of the National Institutes of Health in Puerto Rico. Under the budget this total facility would have been built in two stages. Under the pro-

visions of the bill, it can be built in one stage which will be cheaper and will provide the facility at an earlier date.

For injury control, the bill includes \$4,500,000, an increase of \$301,000 over the budget to restore a small portion of the \$1,900,000 by which the Bureau of the Budget reduced the Department's request.

The bill includes \$66,453,000 for chronic diseases and health of the aged. This is an increase of \$5,250,000 over the budget, of which \$3,250,000 is for work in the field of mental retardation. In 1964 the Public Health Service established an advisory group of experts in this field from outside the Federal Government. This group recommended a total of \$5,250,000 more than is contained in the budget. The committee was surprised that the budget allowed so little in view of the recommendations of this distinguished group of experts. The remaining \$2 million of the increase over the budget is earmarked for work on kidney disease. It has been called to the committee's attention that the report appears to limit the use of these funds to hemodialysis. It was the intention of the committee that dialysis activities be emphasized in connection with this increase, but it is leaving it to the Public Health Service to determine the precise activities to be carried out with these funds which will do the most in meeting the very serious problems of kidney diseases.

The \$8 million reduction recommended below the budget for communicable disease activities represents funds requested for an expanded vaccination program which has not yet been authorized.

Likewise, the reduction of \$3 million in the budget for community health practice and research is for the program of grants for migrant worker health activities for which the legislation has not been extended past 1965.

The bill includes \$259,089,000 for hospital construction activities, which is a reduction of \$44,215,000 from the request. This reduction is brought about primarily as a result of the committee's disallowance of legislative language which would permit the allocation of a much larger amount for modernization than is permitted under the existing law. The budget included \$60 million for modernization, whereas, if the formula in existing law were applied to the total request, only \$14,285,000 could be expended for this purpose. The committee made the adjustment in funds that corresponded with the disallowance of a change in the legislation.

The increase of \$1,634,000 over the budget for air pollution includes \$659,000 to provide sufficient funds to finance as many new research projects in 1966 as are being financed in 1965; and \$975,000 for demonstration projects in control of mine waste fires. The later amount was denied in connection with the Appalachian regional development program since the act authorizing that program did not specifically authorize this activity, whereas it is clearly authorized under the Clean Air Act.

The relatively small increases for environmental engineering and sanitation,

occupational health, and radiological health are all to provide sufficient funds to finance as many new research projects in 1966 as are being financed in 1965. The committee cannot understand why the budget sought to cut these relatively new and very important research programs back in the 1966 budget.

The increased recommended by the committee for water supply and water pollution control is \$3,913,000 over the budget. The largest item of increase is \$1,800,000 which was requested in connection with the Appalachian development program but denied since the legislation authorizing that program did not specifically authorize demonstration in acid mine drainage for which these funds were requested. In addition to this, the committee has added \$1 million to the bill for demonstration grants; \$300,000 to permit 75 percent staffing, instead of 55 percent staffing provided in the budget, for the new regional water pollution control laboratories at Corvallis, Oreg., Ada, Okla., and Athens, Ga.; and \$813,000 to enable the division to finance as many new research projects in 1966 as are being financed in 1965.

The bill includes \$57,710,000, an increase of \$864,000, the amount necessary to keep the Chicago and Memphis hospitals open. The committee would be opposed to closing these hospitals on principle, even if the costs were slightly more than the costs of caring for merchant seamen and other legal beneficiaries on a contract basis. Any possible doubts were resolved when the committee found that it actually would cost the Federal Government \$212,000 less in 1966 to keep these hospitals in operation than it would to close them.

Except for a small reduction of \$80,000 in the request for national health statistics all of the other items in the Public Health Service, except the National Institutes of Health, are carried in the bill in the same amounts as requested in the budget. So unless there are questions regarding them, I will not take the time to discuss each individually.

I was not very happy about the budget for the National Institutes of Health, in fact, I recommended an increase of \$100 million in committee. I have a lot to say about this so I think I will comment on the other items in the bill and then discuss the NIH budget in some detail.

But before I leave the subject of public health, I would like to bring to the attention of the Members of the House something not directly related to this bill. My good friend, the gentleman from New York [Mr. ROONEY] recently sent me a new book by Peter Wyden, "The Overweight Society." I was a little amused by it at first, and most people, I think would react the same way. But the time I had finished it, however, I was convinced that this is one of the real public health problems of this Nation today. This is a really good book, in opinion, and I highly recommend it as "must reading" to anyone with an interest in public health—or, for that matter, interested in their own health.

To get back to the bill—there is a relatively small increase for St. Elizabeths Hospital which simply will allow them to keep their positions filled at the

normal rate. No additional positions are provided.

There is a decrease of \$3 million or approximately 1 percent in the request for the Social Security Administration. We believe that they can do an adequate job with the funds allowed.

The largest reduction in the bill is for grants to States for public assistance. The budget request was \$3,242,100,000 and the bill includes an even \$3 billion. This is less than 6 percent below the appropriation for 1965 and as stated in the report, it would seem that this should be a very modest reduction to expect in view of the expansion of programs under the Social Security Amendments of 1962, that were aimed at reducing dependency, and in view of all of the other programs that are also aimed at doing this, such as the vocational rehabilitation program, the antipoverty program, the Appalachian program, and so forth.

The committee also made a reduction in salaries and expenses of the Bureau of Family Services but has allowed 20 of the 45 new positions requested.

The reduction for juvenile delinquency and youth offenses represents the disallowance of all of the activities for which there is no authorization in 1966, and limiting funds for the activities that are authorized to just the amount required in 1966.

Of the remaining programs under the Welfare Administration, the committee is recommending a reduction of \$203,000 for the Office of Aging; is recommending \$1,882,000, a reduction of \$118,000 from the request for cooperative research or demonstration projects; and has disallowed \$116,000 requested by the Office of the Commissioner for the establishment of regional coordinator for welfare programs and a secretary in each of seven regional offices. There is no change from the budget for the other items.

The bill includes \$1 million for the American Printing House for the Blind which is sufficient to allow \$50 per blind pupil. This is \$91,000 more than the request but is based on testimony by the vice president and general manager of the American Printing House for the Blind that \$50 is the minimum amount necessary to provide the available educational materials that these pupils should have. The budget request was approved in each instance for the other items appearing under "special institutions."

For all items appearing under the heading, "Office of the Secretary," the bill includes \$19,969,000 which is a reduction of \$3,222,000 below the request. Most of this reduction is accounted for by a reduction of \$3 million for educational television facilities. The hearings and material submitted to the committee indicates that the \$8,326,000 included for these activities in the bill will be all that will be required during the year.

The only change from the budget request for the related agencies was a small reduction of \$42,000 for the Federal Mediation and Conciliation Service. This leaves that agency \$6,610,000 or

\$276,000 more than the 1965 appropriation.

#### NATIONAL INSTITUTES OF HEALTH

As I mentioned earlier, I was most unhappy with the NIH budget. The estimates submitted on behalf of the National Institutes of Health were again totally inadequate this year. There was no allowance whatever for any new advances on major disease problems. There was no allowance for the intensification of any of the existing research programs—even in areas where both urgent need and challenging opportunity are clearly evident. There was not even adequate provision for maintaining the momentum of present efforts to solve the fully identified problems whose solution could save thousands of lives and prevent uncountable days of pain and misery.

The administration's request for the National Institutes of Health was not even a good hold-the-line budget—and a hold-the-line budget is simply not good enough for an agency whose activities so vitally affect the future health and welfare of all the American people.

I can wholeheartedly support the President's goals for a Great Society but I cannot understand a program for achieving a Great Society which does not have as one of its primary aims the elimination of the scourge of disease, the tragedy of mental retardation and all other forms of congenital disabilities, and the ever-present threat of untimely death. What can possibly be of more importance to a Great Society than the health of its citizens? What is going on when the President speaks of a healthy citizenry as one of this country's foremost goals and the Bureau of the Budget restricts and reduces the budget estimates of the agency which is at the forefront of the toughest battle we face—the battle to conquer man's most ancient, most relentless and most personal enemy—disease?

The attitude of the Bureau of the Budget seems doubly capricious because it flies in the face of its own assessment of the level of Federal support needed merely to keep pace with the rising cost of doing research. It has recently been well publicized that the Bureau of the Budget regards an annual increase of 15 percent as the minimum necessary to keep existing programs going. This figure is also contained in the report of the Panel on Basic Research and National Goals set up by the National Academy of Sciences at the request of the Congress.

About 5 percent of this increase is due to the normal rise in the cost of doing business experienced by almost every flourishing enterprise. It represents increases in salaries, wages, and the price of supplies. Most of the increased cost of ongoing research, however, is due to the greater complexity of the work being done—to the higher cost of more effective and more accurate instruments and of meeting the more exacting demands of modern research methods.

As the committee's report on the bill points out, an electron microscope is 100 times as expensive as an ordinary microscope; electronic devices become more costly as greater accuracy is demanded

from them; the application of computers to research problems introduces a new and significant cost factor; germ-free animals are a necessary, expensive replacement for ordinary mice, rats, and guinea pigs. The 15-percent figure adopted by the Bureau of the Budget is not adequate to take care of all the real needs of medical research—it is a minimum figure which does not pretend to do more than just keep the present level of research from slowing down for lack of funds.

Yet what does the Bureau of the Budget do when it comes to the estimates for the National Institutes of Health? Does it allow the increase of 15 percent that it has set as the necessary minimum? It does not. For medical research—which is of vital concern to every man, woman, and child and which has the full support of the American people—the budget allows only half of this minimum increase.

There is no justification for the arbitrary limitation imposed on the NIH budget estimates. The effectiveness of the NIH programs are universally recognized. Its contributions to the advancement of medicine have been outstanding—not merely through the work supported by the grant-in-aid programs, but through the work done by its own scientists. The dedicated men who work in Bethesda and in the field stations of NIH in various parts of the world have run up an impressive score of research accomplishments ranging from such specific achievements as finding a cure for Rocky Mountain spotted fever, which used to be a fast-striking and fatal disease, to such dramatic breakthroughs as the cracking of the genetic code which opens the way to the unraveling of the causes of a whole host of genetic diseases.

The record of the scientists whose work NIH has supported is no less impressive. There is hardly a major advance in medical research—or in the scientific disciplines which contribute to the understanding of medical problems—that is not directly or indirectly indebted to the grant programs of the NIH.

A thorough review of the NIH programs has just been conducted, at the request of the President, by a distinguished committee, under the chairmanship of Dr. Dean Wooldridge. This committee and its advisory panels—involving 77 prominent scientists and administrators—appraised the extramural projects supported by NIH in 37 universities, medical schools, hospitals, and research institutions. The group made detailed investigations and evaluations of some 400 separate activities supported by NIH covering each of its major program areas. As a result of this exhaustive review, the Wooldridge committee stated in its report to the President that:

The first and probably most important general conclusion of the study is that the activities of the National Institutes of Health are essentially sound and that its budget of approximately \$1 billion a year is, on the whole, being spent wisely and well in the public interest.

Not only did the Wooldridge committee find that the vast majority of re-

search supported by NIH is of high quality but it emphasizes that the NIH activities "have greatly improved the quality and quantity of both research and teaching in our biomedical institutions." I have been much concerned over this question of quality for a number of years but have not found one shred of evidence to suggest that there has been any decline at all in the quality of the research supported by NIH as its appropriations grew larger. I am therefore not at all surprised but I am very much heartened by the statement of the Wooldridge committee not only that it had found no evidence of a lowering of quality but that it found "good evidence that the average quality is steadily improving." In fact, the committee's report puts it more strongly than that; it says that usually "NIH-supported work was found to set the national or international standard of excellence in its field."

In other words, instead of asking how the NIH programs stack up against other research programs we might better ask how other programs stack up against the high standards set by NIH.

The Wooldridge committee clearly states its conclusion that the NIH appropriations "constitute a sound investment for the American people." I think my constituents—and taxpayers everywhere—will be glad to hear the final sentence of the report's section on the quality of the NIH activities. The Wooldridge committee says:

We suspect that there are few, if any, \$1 billion segments of the Federal budget that are buying more valuable services for the American people than that administered by the National Institutes of Health.

It would be helpful if the Bureau of the Budget would take note of the observation by this group of distinguished citizens that "greater expenditures for health research are yielding greater progress in the alleviation of disease" and its recommendation that new opportunities for health research "should be exploited with the enthusiasm and vigor which has distinguished the NIH program during the past decade." If these words could be posted on the desks of the people who have to approve the NIH estimates before they are put into the President's budget, the Congress might get a more realistic and more forward-looking appropriation request for these important programs.

For nearly 10 years the executive branch has been shirking its responsibility for developing a vigorous and forward-moving national health-research effort. Instead of encouraging and supporting those directly responsible for the NIH programs, it has tried to put these officials under wraps and to prevent them from giving the Appropriations Committee straight, unbiased answers to questions involving their professional judgment on the proper course for the development of these programs. As a result, the Congress has had to take the initiative in expanding these programs. This is recognized by the Wooldridge committee which says in its report:

The Congress in particular deserves considerable credit for its past and continuing support of this kind of farsighted program.



The Congress can—and should—continue to push and to prod, but it cannot undertake to make professional scientific assessments of new research opportunities; it cannot determine the most desirable balance of effort among the many fields that need further development; it cannot do the detailed planning of program needs that should be reflected in the budget estimates.

The committee has probed deeply into the opportunities for carrying forward the fight against the major crippling diseases and the leading causes of premature death in the United States. It has inquired into the unmet program needs of the National Institutes of Health not only as viewed by the capable officials responsible for these programs but as seen by many of this country's leading medical scientists. The conclusion is inescapable that with the budget estimates submitted by the executive branch the NIH could not march forward but would be forced to spend a year simply marching in place.

In the absence of the forward-looking budget justifications which it has a right to expect—and which it will certainly insist upon next year—the committee has included no general increases for any of the National Institutes of Health in the bill. It has, however, provided specific increases, totaling \$11,700,000, for six special programs that are so important to the future health of the American people that it would be intolerable to wait another year in the hope that the Bureau of the Budget might see fit to include them.

These six programs are described in some detail in the committee's report on the bill but they may be briefly summarized.

The bill includes an increase of \$2.5 million for work on the development of an artificial heart. Such a device will make possible treatments not possible with the present heart-lung machine which is only effective for the relatively short time required by a single operation. It is hoped that this program will ultimately lead to the development of a compact and reliable mechanism that can be used as a permanent replacement for an incurably damaged heart.

The bill includes an increase of \$2 million for perfecting the artificial kidney and bringing it within reach of a larger number of people who suffer from kidney failure. Much additional research is also needed on the nature of kidney failure if the machine is to be successfully applied to a broader range of patients than is now possible. Practically nothing was included in the budget for this important work.

The bill includes an increase of \$1,650,000 for a task force on breast cancer which is still the most common form of cancer in women and for which the mortality figures have not improved over the last several years. The committee is convinced that something can, and must, be done about this unsatisfactory situation for which the budget made no adequate provision.

The bill includes an increase of \$2,300,000 for the second year of the study on the effect of drugs on coronary throm-

bosis. Although the Congress appropriated funds last year especially for this program, the Bureau of the Budget took it upon itself to withhold these funds from the Heart Institute until about 6 weeks ago and struck the request for funds for the second year of this program from the budget for fiscal 1966. This is a flagrant example not only of the irresponsibility of the Bureau of the Budget but of its complete failure to respond to the determination of the Congress and of the American people to press the war on disease with all the vigor possible.

The bill also restores \$2 million for the cancer training program which was gratuitously deleted by the Bureau of the Budget as an economy measure. Some major modifications in this program have been proposed by the Cancer Institute to improve its effectiveness in providing special training in the diagnosis and the treatment of cancer. These plans were seized on by the Bureau of the Budget as justification for an economy cut in the estimates. The committee has heard no evidence—and can hardly imagine any—that this is the sort of program on which the American people want to economize.

The bill provides an increase of \$1,250,000 for the Division of Computer Research and Technology which is being set up at NIH. The application of advanced computer techniques to clinical medicine and to laboratory research opens up important new avenues for progress not only in the understanding of biological processes but in the treatment of patients. The computer is destined to become as important an adjunct to the operating room as the X-ray machine. The facilities at NIH and the broad competence of its staff furnishes an excellent setting for developmental work in this very promising new field.

I think it is important to note that certain of these new programs, for which the bill makes special provision, reflect two important trends in the further scientific and technical aspects of NIH programs.

First, it is now possible to undertake, with a high degree of confidence, the pursuit of very specific objectives relating to diagnostic and therapeutic approaches to disease problems and to organize for the development of such devices as artificial kidneys and external support mechanisms for the heart. This capability results from the ever-increasing body of knowledge concerning life and disease processes which is flowing from the broad base of research activities supported over the past 15 years in the biomedical sciences. Thus we can now undertake with the hope of very practical results the application of this broad base of knowledge to the solution of particular disease problems and the development of specific devices and systems to support or replace physiological processes and organs.

Second, we are now witnessing the growing transfer of the advances in the physical sciences, and relating engineering and technical capability, to the field of medical research and the provision of health services. The current scene in the biomedical sciences is characterized

by an exhilarating interplay between the technology and concepts of the physical sciences and the problems of biology and medicine. New fields of activity are emerging in such areas as biomedical engineering, medical electronics, bioinstrumentation and so forth.

These trends are now being reflected in the program and budgetary needs of the National Institutes of Health. These activities bring with them two new requirements. Conduct of programs of this character require greater control over the course of technical activity and access to new kinds of scientific and technical talent. As a consequence of these requirements the National Institutes of Health will have to make more extensive use of the contract as the instrument of choice in the support of research and will be engaged on an increasing scale with private industry as a source of new kinds of scientific engineering and technological skills.

These are important developments into which the committee inquired at some depth during the course of the hearings. Pages 822 through 830 of the hearing volume provides detailed description of what is taking place in this area. The Public Health Service, in testifying before the committee in connection with these developments, noted that the administration had submitted to the Congress legislation to broaden the authority of the Surgeon General to enter into contracts for research and development activities. This legislation encompassed in H.R. 2984 has recently been reported by the House Interstate and Foreign Commerce Committee.

It is a matter of considerable concern to the Appropriations Committee that the House Interstate and Foreign Commerce Committee has recommended substantial modifications in the request of the Public Health Service for contract authority. The modifications recommended include limiting the use of this contract authority for a 3-year period and establishing an appropriation ceiling of \$43 million. While I understand the interest of the House Interstate and Foreign Commerce Committee to establish clear limits on the use of authority in this area, I am concerned that the particular actions in this respect may intervene to prevent the accomplishment of many of these important objectives in the field of medical research. The appropriation limit of \$43 million recommended by the committee happens to be the actual level of obligations for contracts incurred by the National Institutes of Health in fiscal year 1964. The limitation on the other hand applies to the entire Public Health Service and seems to take no account of the fact that the planned expenditures in this area under the President's budget for fiscal year 1966 would exceed some \$90 million. Thus the effect of this amendment to H.R. 2984 would be to cut back the Public Health Service research contract activities to well below last year's level and effectively stop further development of this program.

It also has a further most serious consequence. It is DHEW policy to re-

strict support for research in nonprofit making organizations to the use of the contract. Thus the kind of limitation that is encompassed within the present amendments to H.R. 2984 has the effect of barring the field of medical research to private industry just at the moment when the development of medical sciences is such that effective use can be made of great technological capability and skill now present in the aerospace industry and other areas of private industry. This restriction will prevent access to this great resource. I hope it is possible in the coming debate on this bill to explore this matter in order that the action of the House will indeed reflect our concern with the proper use of legislative authority but will not arbitrarily forestall a course of research development in biomedicine of great significance or deny private industry its appropriate role in this evolution.

The general provisions of the Bill include a modification of section 203 providing for the payment of the indirect costs of research projects.

The committee believes that the costs of research legitimately include not only those costs which are solely attributable to the research project but also those general operating and administrative costs that do not arise from any single activity but are essential to all the activities of the institution. The committee believes that the distinction between direct cost and indirect cost is necessarily somewhat arbitrary and rather meaningless. It is the Committee's view that the so-called indirect costs are part of the proper and inescapable costs of all of the institution's activities, including research.

The Committee believes that Federal research-support funds should be available for any legitimate expense of eligible research projects and that arbitrary distinctions between one kind of cost and another should not enter into the calculation of the support which the Federal Government is willing to provide.

However, we should not lose sight of the fact that the grant-in-aid concept assumes that the grantor is assisting the grantee in the accomplishment of some piece of work of mutual interest. The principal justification for the grant mechanism—and its principal distinction from research contracts—is that it deals with research projects which arise from the professional or institutional interests of members of the scientific community. Federal support is made available to them because—and only to the extent that—these projects also serve important national interests which the Federal Government is anxious to promote.

In these circumstances, it is not only fair but proper that the grantee institution be expected to bear some proportion of the cost. This principle is, in fact, included in the enabling legislation for several grant programs in the Department of Health, Education, and Welfare such as the cooperative research or demonstration projects of the Welfare Administration, the cooperative research in education of the Office of Education, and the grants for special projects of the

Educational Rehabilitation Administration. It is also observed in practice in the extensive NIH grant programs. With few exceptions, the NIH grants do not pay the salary of the principal investigator on the project supported nor do they normally provide payment for the cost of all the equipment used in carrying out the project.

The provision in the bill that the funds appropriated shall not be used to pay the full cost of grant-supported projects therefore does not mark a radical departure from present practice. On the contrary, the committee hopes that the abolition of the artificial distinction between direct and indirect costs will lead to a simpler and more equitable determination of the amount which the Federal Government will contribute to grant-supported projects.

The committee has not sought to establish any detailed guidelines for the calculation of the full cost of research and it has left the door open for determining the extent of Federal participation on either a project-by-project or an institutional basis. The committee is only concerned, on the one hand, that the principle of financial participation by the grantee in the work supported should be maintained, and, on the other hand, that the Federal Government should minimize the burden on the already strained resources of most universities and other research institutions by providing the maximum proportion of the total cost of grant-supported research that is justifiable in the particular circumstances, so long as it involves at least some participation by the grantee institution.

Mr. Chairman, those are the highlights of the bill and the changes that have been made in the budget after 3 months work of the committee to determine what is in the best interest of all the people of the country.

Mr. Chairman, everything considered, this is a good bill. If I were writing it myself there are a great many changes I would make. But I know compromise is necessary in practically all legislation. That this bill represents a good compromise is illustrated by the fact that this bill is unanimously reported. I hope and trust that the House will adopt it overwhelmingly.

Now, Mr. Chairman, I shall be glad to yield to my friend, the gentleman from Iowa [Mr. Gross].

Mr. GROSS. I thank the gentleman for yielding.

This bill is almost \$8 billion, \$7.9-some-odd billion.

How much does the gentleman think his committee can hold this to when they come around to the supplemental appropriations stage later on, some months from now?

Mr. FOGARTY. In the first place, I do not know what the supplementals are going to be. It is the plan of the committee, as I understand it at the present time, to hold hearings about the third week in May on an overall supplemental bill confined to the Departments of Labor, and Health, Education, and Welfare. This is going to be a sizable supplemental bill.

We hope to have it on the floor about the middle of June. It is going to be sizable because of the medical care bill, the Manpower Development and Training Act that was passed, the education bill which was passed, and four or five others including the antipoverty program. Hearings are going to be held on all of them during the third or fourth week of May.

What the administration is going to sent up in some of these areas we do not know.

Mr. GROSS. They are going to get up some sizable figures. The gentleman talked earlier in his presentation, which was an excellent presentation, about the fact we are going to get more of these items in the supplemental. This bill would be a good deal more than \$3 billion, would it not?

Mr. FOGARTY. This bill is going to grow and grow and grow and grow, and I think it should.

Mr. GROSS. That leads me to ask this question: What progress has been made in heart and cancer research and its affliction for the enormous amount of money that has been spent for research in this field?

Mr. FOGARTY. I am not a physician, as the gentleman knows. We do have physicians in the House. In addition we have listened to hundreds of them in the past 10 or 15 years, some of the best in the world, because we think we have some of the best doctors in the world, many who are specialists in heart and cancer. They tell us that because of the advances in heart surgery over the last 4 or 5 years untold thousands of people are walking around today who otherwise could not have survived their heart ailments.

In the area of cancer, even though the numbers dying seem to be increasing, I think it is estimated that 290,000 will die this year because of some form of cancer, the reason for this increase given to us on the committee, is that the Nation's population is increasing by leaps and bounds every year. One of the reasons for this increase is that people live longer now. As a result, the longer people live the greater the chance that they will get some form of heart trouble or some form of cancer. However, in cancer substantial progress has been made. As we understand it, if people would go to their doctor in time much could be done to help save lives from cancer today because of the new knowledge we have. Whereas 20 years ago one out of four was being saved, or one of five, it is now up to one out of three. If they went to their own doctor in time perhaps one in two could be saved. That is, if they went to their doctor in time, if they heeded the danger signals that are put out by the American Cancer Society, and by the medical profession, in this way additional lives could be saved.

Mr. DENTON. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Indiana.

Mr. DENTON. I want to commend the gentleman for bringing forth a very good bill. I believe every Member of the House knows the interest and the work

that the chairman has engaged in in connection with public health, medical research, care for the aged, retarded children, and education and welfare generally. The bill does not appropriate as much money as the chairman thinks it should, or as much as I think it should but it is a good bill and we are supporting it. I want to thank him again for this fine bill.

Mr. FOUNTAIN. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from North Carolina.

Mr. FOUNTAIN. I read the discussion on the general provisions involving the indirect cost of research projects appearing on page 54. I would like to ask the gentleman a question concerning section 203 of the general provisions of the Appropriations Act. As I understand it, the committee is removing the 20-percent limitation on indirect costs with the condition that grantee institutions must share in the full costs, both direct and indirect, of supported research. Is that correct?

Mr. FOGARTY. That is correct up to maybe an average of 5 percent.

Mr. FOUNTAIN. It is also the committee's expectation that the Bureau of the Budget, in promulgating regulations for appropriate levels of financial participation for guarantees, will be guided by the principle that an institution should share in supported research costs in proportion to the degree to which the institution is benefited locally in its teaching, research and other institutional responsibilities.

Mr. FOGARTY. We are going to leave that up to the Bureau of the Budget. We are lumping, as the gentleman so well knows, the indirect costs and training costs, and we expect the Bureau of the Budget to come up with a formula so that all of these grantees would be participating to the extent of perhaps an average of 5 percent.

And I understand the national groups are supporting this provision in the bill. The Daddario committee, for one, has looked into it, and I think the committee of the gentleman from North Carolina [Mr. FOUNTAIN] has looked into it, too, and the Elliott committee—and they have made similar recommendations.

I cannot mention the Daddario committee without a comment about its great chairman. He is one of the most able Members of this House and did a magnificent job as chairman of that committee.

We have come up with this proposal with the understanding that it is also going to be in the independent offices bill and in the Department of Defense appropriation bill. These are the three large bills where most of the research grant funds are carried.

But it is my understanding that these institutions are happy and satisfied with this proposal as it is now written.

Mr. FOUNTAIN. But it is the committee's feeling that these institutions should share in the support of research costs in proportion to the degree to which the institutions are benefited locally in these various areas?

Mr. FOGARTY. Yes, if it is feasible.

Mr. FOUNTAIN. I want to commend the gentleman and his subcommittee as well as the full committee for what I believe is a sound approach to this problem.

The impression has been created in some quarters that university research costs automatically become a responsibility of the Federal Government when the Government contributes to their support. Fortunately, this misleading notion has been challenged by eminent bodies in the educational field, such as the Carnegie Foundation for the Advancement of Teaching, which recognize that scholarly work of a professor's own choosing is as much a part of his institutional duties as his teaching.

I think it should recognize, at the same time, that there are some federally-supported research projects administered by certain universities and other institutions which are truly national in character. I believe provision should be made in these special cases for full Federal funding, particularly when the research projects are very costly undertakings.

Mr. FOGARTY. I thank the gentleman for his contribution.

Mr. SISK. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from California.

Mr. SISK. I want to congratulate and compliment the gentleman and his committee on the great job they have done. I, too, agree with the gentleman that some of these figures, in my opinion, should be higher because I think we need to be spending more money particularly in the health field.

I want to ask briefly a question with reference to his comments regarding the educational TV facilities program. It is my understanding, and I am not taking this time to be critical, that the \$3 million that was cut from the request was because the indications were that the States would not be in a position to use the money; is that correct?

Mr. FOGARTY. That is correct.

Mr. SISK. I bring this up because I have been very much interested in this education TV program.

Mr. FOGARTY. We think it is a good program but the funds are not being used this year and my own State, I might say, has not taken advantage of this.

Mr. SISK. That was the point I wanted to briefly touch upon. My own State has a number of applications pending. In fact, my own hometown has one ready to go and there is a shortage of funds. It is my understanding that under the law there was a limit beyond which any State could go. I assume that is the gentleman's interpretation?

Mr. FOGARTY. That is right.

Mr. SISK. Mr. Chairman, while I hope and expect that this House will approve the committee's recommendation for an appropriation of \$3,826,000 to continue financing our national education television program, I consider it deplorable and an evidence of a technical defect in the authorizing legislation that we are not considering instead the full

\$11,826,000 recommended by the President for this vital educational service.

It is evident that the only reason the committee cannot justify the larger amount lies in the State allocation provisions of the authorizing legislation. This means that many qualified applicants will be denied matching grants, not on the merits of their applications or the need for their educational services, but only because they are in States which already have utilized the amounts allocated to that State.

For example, in my State of California, there are at least five qualified educational television groups prepared to serve major segments of our school population, but California's share of Federal funds is nearing exhaustion and cannot possibly provide matching grants for these enterprises, into which local citizens are prepared to put substantial sums.

I do not want to deprive any State of a full opportunity to participate in this program. They should be encouraged to do so. But if any State cannot usefully spend its entire allocation within a reasonable period of time, I firmly believe the remaining sum should revert for reallocation to those States having qualified applicants whose needs cannot be funded under the original allocation. If this were now the law, the entire \$11,826,000 would be urgently needed and could be fully justified.

I have talked with the chairman of the Interstate and Foreign Commerce Committee about the possibility of hearings to explore how this educational television program is progressing. I am hopeful the committee will get into this important subject, and if it does so, I shall certainly strongly urge a revision of the authorization along the lines I have discussed.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I think it is the general consensus in this body that the gentleman from Rhode Island is one of the great legislators of the House of Representatives and certainly one of the best informed men in the United States on health education. It is always a pleasure to hear him bring this bill to the floor of the House.

Mr. Chairman, I want particularly to compliment him and all who share responsibility for the decision, as reflected by the terms of this bill, to provide the funds to begin implementation of section 14 in Public Law 88-210—the section wisely enacted by the 88th Congress to provide Federal assistance in the establishment of residential vocational training schools to meet a very urgent need for such facilities across the Nation.

Chairman FOGARTY and the members of his subcommittee, backed by the full committee, have recommended that funds be provided to assure at least two pilot institutions in this field—a field in which the Congress has already authorized five pilot institutions.

I believe the committee's recommendation should have the full support of this body, and there should be no further delay in the program.

I also hope and trust that the committee's recommendations will be heard on the subject of where and how this great program can best be initiated.

No witness appearing before the committee was more effective in presenting the case for residential vocational education than the able director of the Oklahoma State Technical School at Okmulgee, Okla., Wayne W. Miller.

Mr. Miller has been associated with the Okmulgee school for 12 years, and his experience ranges from department head to director.

His testimony appears in the hearings on this legislation, and I commend its reading to you.

The unvarnished, undeniable truth is that residential vocational training is the proven road to reduction of unemployment and welfare burdens for the Nation, and every dollar invested in it will return many dollars in the future. The dollars returned will not only be in tax payments from persons who have been tax loads for the community—but also in many other ways which appear in Mr. Miller's experience and are covered in his testimony. Residential vocational education is the proven road to enrichment of the family, the community, and the Nation.

Oklahoma State University's School of Technical Training, popularly known as Oklahoma State Tech, was established at Okmulgee following World War II, utilizing the facilities of a surplus army hospital to meet a great postwar need for vocational education.

It has steadily grown through the years, and has more than 1,200 students residing in school housing at this time. More than 20,000 former students are today in productive employment at good wages as a result of this school's work, and its dedicated faculty of 105, teaching 33 vocations, provide perhaps this Nation's finest corps of vocational instructors.

The city of Okmulgee, once the capitol of the Creek Nation in Indian territory days, today provides an ideal site for the school, the people of the community have given it their enthusiastic, wholehearted support through the years.

Okmulgee is centrally located to serve the major population concentration of Indians in our country, and Indians from virtually every State have come to Okmulgee to benefit from the program of Oklahoma State Tech.

The remarkable achievements of the adult vocational training program for Indians, as reported by Area Director Virgil Harrington of the Bureau of Indian Affairs, have been realized in large part through utilization of the Oklahoma State Tech facilities.

Director Harrington's figures indicate that 92 percent of the Indians receiving training at Oklahoma State Tech—regardless of whether they completed their training course or not—have been given job opportunities through their training. Every graduate of the training program was placed in his field of training or a related field. This is a remarkable record, in a group of our people with an unusually high dropout rate in school and unusually high incidence of unemployment and economic distress.

In one demonstration of what could be done, seven Indian mothers who were heads of families and receiving aid for dependent children were enrolled as vocational students at Oklahoma State Tech.

On completion of training, all but two were able to be self-sufficient. Within 5 years, the savings in aid for dependent children payments will more than pay the cost of training for all seven of these Indian mothers.

The Bureau of Indian Affairs at Muskogee has indicated it could refer "a minimum of 1,000 Indians" to receive vocational training at Okmulgee, from the several States which make up the Muskogee area alone, if funds and facilities were available.

Additional thousands of Indians could be expected to take advantage of the program, from other areas of the southwest, midwest and north, if a pilot school were established at Okmulgee in accordance with this legislation.

In no sense of the word, however, is the Oklahoma school a school for Indians alone.

On the contrary, Indian students have always been in the minority, and students of all races are included in the present enrollment. There are 28 States represented by students at Okmulgee today, and 8 foreign countries have sent students to take advantage of the institution's program.

In the Nation today, no other location has more to offer as a site for a pilot residential vocational education program than Okmulgee, Okla.

I believe this fact is recognized by the professional leaders of vocational education, both in the Department and across the country. I am highly pleased that members of the subcommittee which heard testimony on this matter have frankly expressed their conviction that Okmulgee is an ideal location for this program. I hope and trust the funds will be approved and a pilot program will soon be underway at Oklahoma State Tech.

(Mr. EDMONDSON asked and was given permission to revise and extend his remarks.)

(Mr. ALBERT (at the request of Mr. EDMONDSON) was granted permission to extend his remarks at this point in the RECORD.)

Mr. ALBERT. Mr. Chairman, it is a pleasure to join with the gentleman from Oklahoma, Congressman EDMONDSON, and other members of the Oklahoma delegation in supporting the establishment of a pilot residential vocational school under Public Law 88-210 at Oklahoma State Tech in Okmulgee.

With more than 100 experienced instructors on its campus, the Okmulgee school is in a splendid position to utilize an additional Federal investment wisely. Figures supplied to me indicate that more than 1,200 students are already living in campus housing at Okmulgee.

The student body at Okmulgee State Tech already represents a cross section of the American people with students from 28 of the States in the Union and 8 foreign countries. They are enrolled in 40 vocational-technical courses rang-

ing from the skilled crafts to highly complex courses in modern electronics.

Within our State, as well as in the Nation, this school has been meeting a widespread need for residential vocational training.

Seventy-six of Oklahoma's seventy-seven counties are represented by students at Oklahoma State Tech, and the school is highly respected by employers throughout the State for the quality of its student product.

I hope the funds provided in this bill will be approved and the Oklahoma State Tech facilities and faculty can be a part of our growing effort to prepare our high school dropouts and unskilled young people for the difficult task of making a living in today's complex society.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Missouri.

Mr. HALL. I wish to join the compliments on this 18th presentation of this budget by the gentleman from Rhode Island on the various agencies, particularly of the Department of Health, Education, and Welfare, and the National Institutes of Health.

I rise to associate myself with the remarks of the chairman, as well as those made by the gentleman from North Carolina [Mr. FOUNTAIN].

In that connection I note with particular interest—because this is a field in which I used to work—the addition to the budget, along with other judicious paring, for the National Institutes of Health, especially the Heart Institute, for breakthroughs in the work on the artificial heart, kidney, and such areas as recycling of foods and water in space; by private industry.

As a result of being on the research and development subcommittee of the Armed Services Committee, and of being one of the three physicians in the Congress, I have had unusual knowledge of the heart boosters, as well as the artificial heart, to say nothing about the heart-lung bypass systems, in private life, because of work in a foundation which we established before I came to the Congress.

With the research and development features—new sensors and pulsors and devices now available to the engineers as well as to those who do basic and allied research—there has been a distinct breakthrough. This has happened in private business and industry, as the gentleman so well said in his opening statement.

As to manned space flight, bioastronautics, and other activities, this is an area to which the Government should give support. We should not limit ourselves to what I think of as the vertical research, which refers back to the remarks of the gentleman from North Carolina [Mr. FOUNTAIN] in which we necessarily duplicate and must build on the building blocks: basic, then applied research, then developmental engineering, design, prototype, et cetera. We should work simultaneously on these in the area of horizontal research and development since the applied researcher must have the engineer design the gadget



for him, anyway. We should develop all this simultaneously, and then make the horizontal breakthrough needed, whether it be on cancer research, heart research, or whatnot. That will come, because the breakthrough cannot be found alone with money and additional personnel. We are more liable to find the answer to cancer in clinical and/or bedside research than in the ivory towers of the vertical approach.

I thank the gentleman for yielding.

Mr. FOGARTY. I thank the gentleman for his remarks.

Mr. JOHNSON of Oklahoma. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Oklahoma.

Mr. JOHNSON of Oklahoma. Mr. Chairman, I should like to join my distinguished colleague from Oklahoma [Mr. Edmondson] in commending the chairman of the subcommittee and the Appropriations Committee.

Ask any vocational educator where Okmulgee, Okla., is, and he will tell you. He will also tell you of the outstanding vocational school there, Oklahoma State Tech, which is the vocational-technical branch of Oklahoma State University.

The success of this school is a tribute to its founders and its leadership. Since it was established 18 years ago, it has never lost sight of its principal purpose for being—to turn out skilled craftsmen and technicians. Because it has held to this purpose, the school has compiled an outstanding record. It has taken young Indians from reservations and taught them skills, and it has taught them to live and work in society. Its record in vocational rehabilitation of the handicapped is one of the best anywhere. It has done equally well with high school dropouts, and with ordinary young people seeking training to enable them to work for a good living.

For these and many other reasons, I urge that section 14 of Public Law 88-210 be funded, and that Oklahoma State Tech be designated as a pilot residential vocational school under provisions of the act.

(Mr. JOHNSON of Oklahoma asked and was given permission to revise and extend his remarks.)

Mr. STEED. Mr. Chairman, Oklahoma State Tech, at Okmulgee, Okla., is the vocational-technical branch of Oklahoma State University.

The outstanding job already being done by this technical school has been recognized by the State board for vocational education, the Oklahoma Vocational Association, and the American Vocational Association.

The work already being done at Okmulgee is one of the best arguments I know for funding section 14 of Public Law 88-210. Thousands of successful graduates of this school can testify to the job which its able faculty is capable of doing, and we know that the school has helped to reduce the welfare load in every county of our State, by making taxpaying citizens out of welfare cases who had no vocational skills.

We believe this school can do an even greater job for the Nation if the money provided by this bill is wisely invested

in additional facilities, equipment and faculty at Oklahoma State Tech. We urge this course of action.

Mr. BELCHER. Mr. Chairman, on a small campus in Okmulgee, Okla., in buildings which once housed a World War II military hospital, one of the finest vocational education schools in the Nation has been turning out skilled craftsmen and technicians for 18 years.

The school, Oklahoma State Tech, is a branch of Oklahoma State University at Stillwater. Tech was created to serve the needs of veterans returning from World War II, and it served them well. Now it trains other Oklahomans—and, indeed, many from other States and foreign countries—and its reputation for turning out skilled and willing workers spreads wherever these young people go.

Oklahoma State Tech is a residential school, where students from all walks of life come to live together and work together and learn together. The school is doing an outstanding job, and a look at its record is a convincing argument for funding section 14 of Public Law 88-210 which provides for establishment of pilot residential vocational training schools. And Oklahoma State Tech would be an ideal location for such a pilot school. It is in operation, it is successful, and the return on investment in this school would be high and satisfying. It is a pleasure to join with my colleagues in urging establishment of a pilot school under Public Law 88-210 in Okmulgee.

Mr. JARMAN. Mr. Chairman, every Oklahoman is proud of the job which has been done during the past 18 years by Oklahoma State Tech at Okmulgee. This fine school is a branch of Oklahoma State University at Stillwater, and was established initially to serve the needs of World War II veterans. The outstanding job which it has done as a regional training center for vocational rehabilitation students, and its effective trade and vocational educational programs for both men and women, have already won for it nationwide recognition.

Vocational educators from all over the country and indeed from foreign countries come to Okmulgee to study the operation of this great institution.

At no other location in the country could the Government invest funds for a pilot residential vocational program with greater economy of initial investment, and with a higher assurance of return on the investment than at Oklahoma State Tech. I am pleased to join other members of the Oklahoma delegation in urging that funds be approved for the establishment of a pilot training institution under the Vocational Education Act at Okmulgee.

Mr. DADDARIO. Mr. Chairman, it is my privilege to support this bill which is being so ably handled by our colleague from Rhode Island.

I am particularly interested in the fact that the committee this year has eliminated the percentage ceiling on reimbursable overhead costs relative to Federal research grants which has been carried in prior appropriations bills.

In my judgment this makes a good deal of sense.

The committee has, on the other hand,

inserted a requirement in section 203 that at least some of the costs of the research projects involved in Federal grants be borne by the grantee institutions. While I do not feel competent at this point to say whether the method adopted by the committee is the best one, it does appear to me to be a move in the logical direction.

In fact, both actions taken by the Appropriations Committee in this bill are similar to the conclusions reached by the Committee on Science and Astronautics and its Subcommittee on Science, Research, and Development, which I have the honor to chair. In House Report No. 144, issued by our committee earlier this year, and following extensive hearings by the subcommittee last summer, recommendations were made that first, percentage limitations on indirect costs be removed, and second, that beginning efforts be made to establish criteria for cost sharing based on the mutual interests of institutional grantees and Federal grantor agencies.

I am pleased and impressed to find the approach in the bill before us today indicating that the Appropriations Committee, quite independently, has reached conclusions not greatly different.

We are all, I think, striving toward the same goals. In essence, they are as quoted by the report on this bill—worthwhile research, adequately supervised and economically conducted. One could hardly find a more succinct summarization of that which we seek in making Federal grants for scientific research.

Mr. Chairman, the net effect of this language in the bill will be to make the Budget Bureau's directive—Circular A-21—on the assessment of reimbursable overhead apply to HEW research grants. This directive has been carefully worked out over a number of years and seeks to safeguard the fiscal interests of both the Government and the grantee institutions. Simultaneously, it will mean that some thought will be given to the equities involved in cost sharing—but as a separate issue and not as a complicating offshoot of the overhead problem.

In my opinion this is as it should be.

I should like to thank the committee and its chairman for giving their thoughtful attention to a complex and important problem.

Mr. YATES. Mr. Chairman, I am gratified that the report on the appropriations bill for the Department of Health, Education, and Welfare recognizes two matters of importance to both Chicago and the Nation. The first pertains to water pollution control studies. The second insures the continued accessibility of Public Health Service hospital facilities.

In discussing the Federal Water Quality Act of 1965, I noted that there is nothing more local than a drop of water and nothing more national than what we do with it. Slowly but surely we are learning what to do with water, our most important natural resource. We are learning to conserve it, to purify it, to reuse it, to control it. The demonstration grants provided under the water supply and water pollution control appropriation give us an opportunity to

learn more in the vital areas of water reuse, drainage, pollution, and flood control.

The Bureau of the Budget asked that only \$1,165,000 be spent for such projects in 1966. That would be only enough to finance 25 projects already underway, and would not allow funds for any new projects. Fortunately, the subcommittee recognized the benefits to be realized in such programs and added \$1 million to the bill for demonstration grants. This means that many more projects, some of them already approved, can get underway this year, and the country will be better for it.

One of these new projects represents an imaginative new approach to water pollution, flood control, and sanitation. It is proposed for a 25-square-mile area on the South Side of Chicago. If it is found workable, it could provide a good answer to water pollution caused by storms in urban areas throughout the United States. Specifically, this project calls for a \$125,000 feasibility study of a storm drainage system incorporating a network of huge underground tunnels. Engineers suggest that such an approach could eliminate storm water overflows into Lake Michigan, keep polluted storm flows from the Chicago River and drainage canals, eliminate basement flooding and provide flood control benefits to the Des Plaines, Kankakee, and Illinois Rivers. It is estimated that such an underground system could provide 20 times the amount of protection offered by an improved conventional sewer system in Chicago.

This approach is dramatic and revolutionary. It calls for intercepting the existing network of sewers with vertical shafts, extending 600 or more feet underground. The shafts would lead to excavated galleries, which would flow into a tunnel leading away from the city. A pump-turbine plant at the tunnel outlet would use the stored water to generate electric power. Allowing for revenues from the sale of this power, the estimated cost of the new system would be about the same as the cost of expanding the present conventional drainage system, and the protection from pollution and floods would be far greater.

Mr. Chairman, we have for too many years paid inadequate attention to our priceless water. We are now paying the penalty for our neglect, reaping a whirlpool of pollution. To correct the corruption of our water supplies, we require research, experimentation, and demonstration. These few projects represent a worthy step in that direction.

I am hopeful that the treatment of the pollution problem contemplated by the Chicago feasibility study will provide great benefits to every metropolitan area plagued with inadequate drainage and sewage systems. I am gratified that our distinguished colleague from Rhode Island [Mr. FOGARTY] and the members of this committee have had the foresight to include extra funds for these demonstration grants.

I would also like to address myself briefly to another matter contained in

this bill—the retention of operating funds during the next year for Public Health Service hospitals.

The Department of Health, Education, and Welfare proposed to close seven such hospitals over the next 4 years. One of the reasons given for this decision was a claim that it would save the Federal Government \$1 million. I did not analyze the cost-saving ratio for all seven institutions, but I did carefully study the alleged savings that would have been made by closing the U.S. Merchant Marine Hospital in Chicago. The figures showed that a shutdown would cost the Government more money than it would save.

The first two hospitals scheduled to be closed were in Chicago and Memphis. The committee discovered that the cost of caring for patients from these hospitals, in cross-servicing and contracting, would exceed the savings realized from closing them. The committee found that in 1966 alone the costs of caring for patients from the two hospitals would exceed the savings by \$212,000. Thus these closings would have produced a false and shortsighted economy.

Indeed, Mr. Chairman, the closing of the Marine Hospital would have multiplied those costs greatly. About 10 percent of the patients there would no longer be treated in a Federal hospital, and the costs of their treatment would probably have to be charged to the social security medical insurance fund, in the amount of \$164,000 a year. It would have taken another \$7,000 a year to care for the remaining 90 percent of the patients sent to other Federal hospitals. Thus the total annual operating cost would have been \$171,000.

The Public Health Service estimated it would save \$515,000 by investing in new Veterans' Administration construction instead of spending the \$1,200,000 it said was required to modernize the Marine Hospital. It would take but 3 years for the annual operating expense of \$171,000 to exceed the one-time savings in capital investment of \$515,000. Thereafter, the Government would have lost \$171,000 a year.

It is clear that the closing could not be justified on economic grounds. Nor could it be justified on the grounds of better service. This 138-bed hospital has served Great Lakes seamen, as well as active and retired service personnel and their dependents, for 92 years. Remove that hospital, Mr. Chairman, and you are left with only one other Merchant Marine hospital on the Great Lakes—at Detroit—and that hospital was scheduled to close, too. Take away the Memphis hospital, and merchant seamen would have no facilities in the entire Mississippi River north of New Orleans.

Early in our history President John Adams took special interest in the health care of merchant seamen and inaugurated this hospital system. Only 2 years ago President Kennedy said he wanted the Public Health Service to present a plan to provide more accessible care for seamen. What happened? The Public

Health Service decided to close the few hospitals it had in this area, reducing accessibility to treatment instead of increasing it.

I am grateful that the committee closely scrutinized these operations, Mr. Chairman. It was important that unfounded claims of this economy be exposed. It is more important that satisfactory and accessible care remain available to seamen.

Mr. ICHORD. Mr. Chairman, I rise in support of H.R. 7765 with special attention directed toward title II. It is felt there is little need to go into great detail justifying your support of the bill now before us as the committee and subcommittees have done a tremendous job in scrutinizing every detail.

I do, however, feel a need to express my deep and profound regret that a \$200,000 planning fund for a field laboratory for water pollution control was not included in the final bill submitted to this body. I am confident these funds were omitted in the interest of budgetary considerations and not due to a failure to recognize the pressing need for continued advancement in programs of this nature. The importance of water and the increasing dangers of its pollution to public health and safety is a matter of which we are all aware. The need for action has been established.

Obviously the seriousness of water pollution varies depending on the region in question. I believe there is a pressing need for an additional laboratory in the Missouri River Basin. This basin covers approximately 20 percent of the land mass of the country and serves the vastness of the midwestern agricultural areas and several tremendous metropolitan areas such as St. Louis, Kansas City, and Omaha. At present the closest field laboratory is located at Ann Arbor, Mich. Even the most bright-eyed optimists would not dare hope that the Midwest could be served by this laboratory alone due to the complexity of the Great Lakes pollution problems.

Therefore, how do we best serve the millions of people affected by Missouri River Basin pollution? It is imperative that we locate a laboratory in the basin and that we do it soon, while a solution is still within our grasp. Pollution in this basin should be the concern of every citizen who uses the products supplied by this area. And it concerns each person in the land for you all know of midwestern and industrial production. I again express my regret on this matter and vow that I will continue to press for the needed planning funds until the laboratory is built and we are on our way to the consumption and use of clean and safe water.

I ask that all of you consider the gravity of the problem and join me in the attainment of necessary appropriations when we next take this problem under consideration.

Mr. VIVIAN. Mr. Chairman, I also wish to commend the chairman and the members of the Committee on Appropriations for wisely revising section 203 of this bill. As has already been stated,

in the past an inflexible statutory limitation has been imposed on the amount of indirect costs which were permitted to be reimbursed by the Department of Health, Education, and Welfare, to institutions receiving research grants; in the future, however, assuming this revised section is adopted, the Bureau of the Budget instead will establish flexible administrative regulations authorizing amounts more closely approaching the true costs incurred by the institutions receiving grants. In so doing, the committee will relieve many universities and research institutes throughout the Nation from a troublesome financial burden.

In my own district alone, for example, the University of Michigan in recent years has suffered a deficit in recovery of indirect costs which has amounted to over \$2 million each year. This amount, a significant element in the yearly overall budget of the university, has had to be withdrawn in part from funds otherwise available for student instruction.

If section 503 as proposed here is adopted, the deficit incurred should be far less, permitting more productive use of the funds available to the university.

I am further pleased to hear the chairman state that a similar provision will be included in the appropriations bills for all other pertinent agencies, so that the policy established here will prevail uniformly.

Mr. FARNUM. Mr. Chairman, I rise in support of House bill 7765. As a new Member of Congress it was my good fortune to be accorded the privilege of serving on the Committee on Appropriations and also my good fortune to be selected to serve on the Subcommittee on Labor and Health, Education, and Welfare.

During the course of the hearings on this bill I was granted all the courtesies extended to senior members of the committee by that great gentleman from Rhode Island, the chairman of our committee, the Honorable JOHN FOGARTY.

Having had considerable experience in the administrative branch of Government, I concerned myself during the committee hearings and also outside of the committee chiefly with investigations of the administrative practices used by the various agencies represented before our committee.

This does not mean that I did not also concern myself with other details of the programs of the agencies included in this bill, for like all committee members I spent many hours weighing whether or not justifications warranted the appropriation requests that were being made. I would at this time, however, like to concern myself only with agency management practices.

In the expenditure of public funds, the first thing that each of us should be concerned with is that every dollar appropriated be used for the purposes indicated.

Our second concern should be that agency administrative procedures and internal procedures be conducted with the kind of efficiency that guarantees the best possible use of the dollar.

Prior to my coming to the Congress, and since I have been here, President Johnson has issued executive directives asking that agencies take cold, hard looks at their administrative procedures and that they eliminate those procedures and practices that contribute unnecessary effort to the administrative operation while devising new methods and systems that will guarantee maximum economical use of public funds.

The question then is: Has there been demonstrated an intent on the part of the administrative agencies to comply?

In the limited amount of time that has been available to me to talk to the heads of agencies, to ask questions at hearings, and to make on-the-job visits with employees performing all kinds of work, my general impression is that the attitude of the employees, of the heads of departments, and of the Bureau of the Budget personnel is to see to it that we do attain maximum efficiency in the performance of governmental functions.

Followup procedures have been established that, in my opinion, stimulate any who might be reluctant to embrace positive action.

Mr. Chairman, there are two kinds of economy—false economy, and the real kind.

False economy more often than not is the product of executives who feel that the prestige of their positions depends on the number of file cabinets they can proudly display.

The enemies of false economy are methods and systems that, requiring a minimum expenditure of effort, result in maximum control in managing public funds.

True economy results when responsible people provide good management practices. Or, as I have said on another occasion, when they adopt the "work smarter, not harder" concept of fulfilling administrative function.

In the light of the great burdens presently placed upon Government administrators, true economy in 1965 necessitates the use of automatic data-processing equipment. But equipment alone is not enough. Good procedures demand that before we can use profitably this kind of equipment, it is necessary to devise efficient administrative procedure for its operation.

In a word, we must "systemate" before we can automate.

The application of such equipment to governmental processes has long concerned me. I am convinced that the contribution this mechanized equipment can make to the handling of many of the clerical governmental procedures can result in a great saving of public funds.

An example of this may be seen in the social security department. Had not such equipment been used in the last several years, the status quo cost of operations of this department alone would have been some \$80 million more than it is today.

The fact is that without the use of computers it would have been almost physically impossible to process the claims of those senior citizens who have already retired.

Considered, then, the condition when

the extra burden results that will be placed on this department as a result of the passage of medicare. We could go on and on citing more and more examples.

The opportunity that has been accorded me as a result of the privilege of serving on this committee has made me increasingly aware of the powerful contribution which computers have made to the progress of medical research.

Today they are becoming an integral part of the research laboratory. Beyond the laboratory, in the operating rooms of our leading research hospitals, surgeons are planning to use computers to measure and record continuous changes in the body before, during, and after surgery.

Vast amounts of data have been captured by automatic instruments, and the analysis of the data should provide an unusually rich opportunity for physicians, mathematicians, and engineers, working together, to identify some of the basic patterns of disturbance in normal function in heart disease, cancer, and other serious illnesses.

A large portion of the financial support necessary to establish computers in medical research laboratories and hospitals has come from the Federal Government, through the National Institutes of Health. Moreover, the NIH has pioneered the use of computers in its own laboratories and in the operating rooms of the Clinical Center.

There, for example, patients in critical need of heart surgery receive the most advanced medical care while, at the same time, they provide through the computer and other automatic instruments vital data which can help to save countless other hearts in the years ahead.

The modern-day computer in medical research is much more than a set of boxes with complicated wiring such as we are accustomed to see in business offices today. The human or animal heart in action does not produce a set of numbers. Its movement must first be sensed as a change in blood pressure within the heart or along the blood vessels. These pressure changes must be converted to continuous electrical signals which can be captured by tape-recording equipment. The information must then be displayed visually on a television screen to provide immediate vital intelligence to the surgeon on the condition of his patient, or to the researcher on the progress of his experiment.

An impressive array of equipment is required to perform these tasks, particularly if many variables are to be studied at the same time. To carry out mathematical analysis of the data requires still more electronic equipment to select those portions of the continuous record which require further study, and to convert the electrical signals to numbers. Only then can one begin to use the vast power of the digital computer with which most of us have become familiar.

To bring the full power of this computer complex to the service of medical research and patient care requires two essential commodities: first, large amounts of money for expensive equipment; second, and much more difficult to come by, topnotch mathematical and

engineering talent. Imaginative mathematicians with a strong interest in biology are needed to translate medical and biological problems into mathematical models, without which comprehensive analysis and interpretation of large amounts of data cannot proceed. Highly creative computer and instrument engineers are fully as necessary in the biomedical research laboratory and in the modern research hospital as they are in the design and control of our space rockets.

Recognizing the need to provide these resources for its research scientists and administrators, the National Institutes of Health have established a new Division of Computer Research and Technology, whose mathematicians and computer experts will work side by side with NIH's medical scientists in laboratory and hospital.

The Division will undertake professional research in the relevant aspects of advanced mathematics and computer theory. In addition, it will operate a large-scale central computer to which scientists throughout the NIH campus could even be connected by data transmission stations in their own laboratories and offices, if such should prove to be desirable.

These computer resources will be available not only to the research scientist and hospital clinicians at NIH, but to the administrative and management staff as well. The new Division will assist grants administrators in the development of an integrated computer system for processing grants information. This will permit a more continuous evaluation of the progress of grant supported research. It will provide immediate information on the geographic distribution of grants, on the relative concentration by area of study, by size of university or college, and by other factors important to scientists and administrators participating in the allocation of grant funds.

Equally important will be the savings in time and money to the overall management of NIH activities. The resources of the new division will enable NIH central management to set up a computer-oriented system of regular information reports needed for decision.

Even more vital to effective and economical management, these resources will permit the immediate retrieval of detailed data by direct hookup to files stored in the central computer. For the first time, NIH management will be able to assemble rapidly, with a minimum of clerical personnel, the information needed to answer special requests and to carry out special studies on which management decisions may be based.

I am frankly excited over the stimulating opportunities which this new division of Computer Research and Technology offers to the NIH scientific research community, to the medical care capabilities of the Clinical Center, and to the management of programs entrusted to NIH administrators.

This is a dynamic new activity whose benefits to medical research—and to all of us whose lives are enriched by the re-

sults of such research—can far exceed the money spent to support it. More funds are needed to implement the work of this new division than are provided in the current budget request for fiscal year 1966. Even more important, no arbitrary grade restrictions should be permitted to undermine the ability of this Division to attract the first-rate mathematicians and computer experts needed to do the job.

I suppose there are some who might say this device offers just another method to get more funds. Those who think so forget that often it is necessary to spend in order to provide the method or procedure best fitted to guarantee maximum economy and efficiency.

To illustrate, let me give you an example. In a National Institute of Health project, a researcher in carrying on an experiment for many years has been burdened with the laborious task of having to spend the large share of his time recording data gained from his experiment.

It has been necessary that he compute it, analyze it, compare it with previous data and perform many other similar functions, thereby limiting himself to a very few hours to be spent in pure research alone.

At NIH many scientists now can look forward to spending the big share of their valuable time in basic research experiments because they have been able to collaborate with mathematicians and engineers in an application of the physical sciences to the biomedical sciences. Mechanized equipment that has been made available—and that will be made available in the future as a result of these appropriations—has the job of recording permanently, of analyzing, of computing, of comparing, and of giving the result to persons engaged in pure research on a full-time basis.

Yes, today's research scientist and tomorrow's can look forward to many, many extra hours made available through such means. I am as sure as are all of the rest of my colleagues here that the result of this extra time made available to these humanitarians will be to cause the progress in the future in the medical and life sciences to be fantastic by any standards we now know.

This, then, is an expenditure that will provide better procedural practices while saving many man-hours of research talent.

But, above and beyond that, it is logical to predict that it will provide a day, a month, or maybe many years of extra life to human beings. I am sure none of my colleagues would value this in terms of dollars.

I wish at this time, Mr. Chairman, to commend the National Institutes of Health for the leadership they have shown in this field. I trust the Congress will continue its generous support of these efforts.

And once again I wish to thank the chairman of our committee, and the individual members, for the patience they have shown me as a new Member of this Congress and for the opportunities for service they have afforded me in my few months here.

#### GENERAL LEAVE TO EXTEND

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their own remarks at this point.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. LAIRD. Mr. Chairman, I yield myself such time as I may consume.

#### CALL OF THE HOUSE

Mr. HALL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-four Members are present, not a quorum.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 89]

Ashley	Halleck	Mailliard
Ayres	Hanna	Mathias
Bandstra	Hansen, Wash.	Mills
Blatnik	Hardy	Morrison
Brademas	Hays	Powell
Broyhill, Va.	Hollifield	Redlin
Cahill	Holland	Resnick
Clevenger	Hosmer	Senner
Conyers	Huot	Smith, Iowa
Curtis	Irwin	Stephens
Dickinson	Jones, Mo.	Taylor
Diggs	Krebs	Teague, Tex.
Ford,	Latta	Thomson, Wis.
Gerald R.	Leggett	Toll
Gialmo	McDowell	Whitten
Goodell	MacGregor	Wilson, Bob
Hagen, Calif.	Mackie	Young

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. THOMPSON of New Jersey, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 7765, and finding itself without a quorum, he had directed the roll to be called, when 383 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Committee will rise informally to receive a message.

The SPEAKER. The Chair will receive a message from the President of the United States.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

#### LABOR-HEALTH, EDUCATION, AND WELFARE APPROPRIATIONS, 1966

The SPEAKER. The Committee will resume its sitting.

The CHAIRMAN. The gentleman from Wisconsin [Mr. LAIRD] is recognized.

Mr. LAIRD. Mr. Chairman, the HEW and Labor appropriations bill for fiscal 1966 is a bill which I support. I am not going to brag about the bill because I am not particularly proud of all of it. But I defend and support this bill because I am a realist, and under the cir-



cumstances, it is not a bad bill. As the gentleman from Rhode Island has indicated in his remarks earlier today, our committee worked long and hard on this bill and conducted hearings over a period of several months. In marking up this bill, being a member of the minority party, understanding fully the organization of this House with its two to one Democratic majority, I worked with the members of this committee to arrive at the best bill that could be presented on the floor of the House today.

We have heard some talk about the cost of the Department of Health, Education, and Welfare, and how costs have been on the rise each of the past few years. I have served on this committee for some 13 years. I remember when we considered the first bill from this Department. It was a little more than a billion dollars.

The bill before the House today covers about \$8 billion in general revenues and some \$24 billion in trust funds. It is the second largest appropriation bill which will be considered by this Congress.

I should like to remind my friends in the House today that within the next 6 weeks we will add to this bill, in supplemental appropriations, more than \$3 billion. We will add that \$3 billion because of action which has been taken on the floor of the House in new authorizations, for new programs. I refer to the medicare bill. There are vast amounts authorized from general funds, as well as trust funds. The total trust fund and general fund amount authorized in that bill will be \$7 billion in the first full fiscal year of operation.

In addition to that extra burden, so far as the trust funds and the general fund of the Department of Health, Education, and Welfare appropriation in fiscal year 1966 are concerned, we have also added, by a vote of this House, a new authorization in the area of education, of more than a billion dollars.

Today, after this bill is acted upon, we will pass two bills which will add to the expenditures in fiscal year 1966 many millions more. There will not be a single vote against those bills, which have been reported unanimously from the Committee on Interstate and Foreign Commerce, when the roll is called a little later this afternoon.

This bill will be bigger than the Department of Defense appropriation bill, if this trend continues, by the year 1970.

This bill as it stands today carries \$7,964 million in appropriations, over \$1 billion more than the bill we brought to you a year ago, but it is \$329 million less than the President requested in his budget. Furthermore, the party of the Great—and very expensive—Society has a majority of 2 to 1 on our subcommittee and on the full Committee on Appropriations. There are some features and some dollar amounts, that had we had the votes, we would have altered. But realism dictates that when you are weak, you negotiate. So, under the circumstances, this is a good bill.

As the gentleman from Rhode Island, the chairman of our subcommittee, has pointed out, this bill is a result of compromise. Under the circumstances I

have just outlined I feel that we on the minority side should be reasonably satisfied with the results.

Another factor that one must consider in making a realistic appraisal of this bill is the fact that the last Congress passed a very considerable amount of new legislation that is requiring increasingly large sums of money to carry out. In most cases this new legislation passed the Congress by very large majorities. I am sure if it were coming up new in this Congress this legislation would pass by even larger majorities. The majority of Congress has expressed its will in no uncertain terms so it would be completely unrealistic to attempt to withhold the funds.

I will give you a few specific examples. Last year's bill included \$183 million for the vocational education program; this year's bill, under the expanded authorization, carries \$262 million. Last year's bill carried \$463 million for higher education facilities construction; this year it is \$641 million. Last year's bill for defense educational activities carried \$287 million; under the expanded authorization it is \$412 million in this year's bill. There are several others.

If it were not for the increases in the bill to carry out the further expansion of these programs that was authorized by the last Congress, this bill would actually be just about the same size as the bill we brought you last year.

Now no one should be misled into thinking that this is the full bill for the Departments of Labor, and Health, Education, and Welfare, and related agencies for the fiscal year 1966. This is just part 1. Part 2 of the Labor-HEW bill is going to be coming before this House likely during the last half of June. Part 2 will include some more extremely expensive Great Society programs under legislation being enacted by the current Congress.

Programs that will likely be carried in part 2 of the Labor-HEW bill will be the poverty program for which the administration is requesting authorization for \$1½ billion. It will undoubtedly include funds for the recently enacted Elementary and Secondary Education Act of 1965—we already have a budget request of \$1,345 million for that program. Of course no one knows at this point how much may be requested to carry out the recommendations of the President's Commission on Heart Disease, Cancer, and Stroke, but we already have a request for \$44 million and the administration has requested additional legislation, the cost of which not even the administration knows. It will undoubtedly include funds for the expanded Manpower Development and Training Act that passed last month. It will undoubtedly include funds for the medicare program, if the Senate passes this before part 2 is considered. And there are many others that are well within the realm of probability for inclusion. There is the arts and humanities bill, water pollution control amendments, the health research facilities bill, the new air pollution bill, the Community Health Services Extension Amendments of 1965, a new Community Mental Health Centers Act, a

new juvenile delinquency program, and there are several more.

Mr. Chairman, it looks like the budget requests for part 2 will total about \$5 billion. So, just in funds appropriated out of the general funds of the Treasury, the Labor-HEW bill—including both part 1 and part 2—may well be over \$13 billion for the next fiscal year. The amazing growth of these programs, as measured by their cost is illustrated by comparing this figure with the total of the Department of Labor and Health, Education and Welfare, and Related Agencies Appropriation Act for fiscal year 1956. That act totaled exactly \$2,373,516,500. In just 10 years the cost of these activities has increased over 5 times.

Mr. Chairman, even this does not tell the whole story. In addition to the funds that we are appropriating out of general funds of the Treasury for these two departments and related agencies, the American public is called upon to finance several trust funds to carry out such programs as old-age and survivors insurance, unemployment compensation, railroad retirement, and so forth. The taxes paid to support these activities are just as real as the taxes paid into general funds of the Treasury. It is estimated that these trust funds will cost the taxpayers \$24,385 million in fiscal year 1966. If we accept the logical conclusion that funds out of the Treasury will total \$13 billion for 1966, we arrive at a total of over \$37 billion for the Departments of Labor, and Health, Education, and Welfare, and related agencies.

Mr. Chairman, this is already the largest appropriation bill that comes before this House with the single exception of the defense appropriation bill, and I predict that within the next 10 years it will be the largest "period."

Mr. Chairman, the gentleman from Rhode Island has done his usual good job of explaining the important details concerning appropriations recommended in the bill and I shall not take the time of the Committee to cover the same ground again, but I would like to take 2 or 3 minutes to speak about one of the general provisions of the bill.

For several years this bill has carried a general provision that restricted to a certain percentage the amount of money that could be paid to a research grantee for indirect costs of his research project. This built up from the early years of the National Institutes of Health. At first they allowed nothing for indirect costs. Then this policy was changed and for some years they allowed 8 percent of the direct costs as an allowance for part of the indirect costs. Then the NIH increased this allowance to 15 percent. When they proposed to further liberalize the allowance for indirect costs, Congress placed a limitation of 15 percent in the appropriation bill. In the 1963 bill, this was increased to 20 percent, which has been the percentage since.

There is no doubt that these research grants are of benefit to the schools and other institutions receiving them. For this reason, and to further assure that these funds will be efficiently and economically used, the committee is including in this bill a requirement for finan-

cial participation on the part of grantees. It has become increasingly evident to the committee, however, that tying financial participation to indirect costs results in considerable inequity. For some projects, especially those involving a considerable amount of equipment purchases, indirect costs may actually be below 20 percent of the direct costs and thus, under the old provision, the grantee would receive 100 percent of all costs. Other projects have indirect costs running as high as 50 percent and, thus, the grantee is bearing a substantial percentage of total costs.

Another factor was brought out in the recent study of the National Institutes of Health conducted by the Wooldridge Committee. Its report stated:

We believe that steps should be taken to make it easier for all involved—scientists, administrators, and Government representatives—to obtain a clear picture of all the costs legitimately associated with each NIH-supported project. Reliance upon an arbitrary indirect cost percentage should be abandoned. Instead, each institution should be encouraged to present a complete accounting of all the costs of "doing business" that it can support as chargeable or allocable to the project in question, with a minimum of emphasis on formal direct/indirect distinctions.

Section 203 of the bill follows this principle. It simply will require that each grantee must bear a portion of the total cost of the project. In order that this provision may be administered in the most equitable way, the committee has not laid down any arbitrary formula, but will expect that the Bureau of the Budget make a very detailed and thorough study to determine how best to calculate this division of costs. It may well be that this will have to be a variable formula in order to be equitable for different types of projects and different types of institutions.

Mr. Chairman, the gentleman from Rhode Island in his remarks said he would have liked to have added \$100 million for the National Institutes of Health in fiscal year 1966. He proposed that in our subcommittee. I proposed that we support President Johnson on his figure for this particular item in the budget. As a great supporter of the President, I add that this figure was not agreed to in our particular committee. But we compromised between President Johnson's figure and the figure advocated by the gentleman from Rhode Island, and there is \$11.7 million in this bill for the National Institutes of Health. That is almost entirely in the area of heart, kidney, and drug research, and the undergraduate program so far as the National Cancer Institute is concerned. These are very strategic areas. I support the action of the committee in encouraging these programs; particularly in the area of the artificial heart, in the area of the new drug research, and also in the area of the new kidney dialysis program.

Mr. Chairman, the appropriations for the National Institutes of Health include no general, across-the-board increases.

Ample evidence was presented to the committee that every one of the Institutes is faced with important problems demanding research for which funds are

not available. The catalog of diseases and human afflictions is long. The national resources devoted to medical research have been dramatically expanded during the past 10 years but the trained men, the laboratories, the clinical research facilities, and the funds available are still far from enough to cover the entire frontier along which man is waging his age-old battle against disease.

For example, I have just obtained a tabulation from the National Institutes of Health which shows that their current appropriations fall more than \$40 million short of the sum that would be needed to make awards to all the grant applicants whose projects have been reviewed and found worthy of support—not only for their scientific merit but for their direct relevance to the health research mission of the National Institutes of Health.

The 1966 budget estimates make no allowance for these unfunded projects nor do they make any allowance for a similar number of highly worthwhile projects for which support will almost certainly have to be refused next year.

Despite these demonstrated general needs of the NIH programs, the committee has taken a very conservative approach in its action on the NIH budget. The appropriations contained in the bill will make a very substantial contribution to but will not fully meet the total legitimate needs of medical research and research training in this country.

The committee has, in fact, confined itself to providing for the NIH a few selected increases for programs which are so important and which hold out so great a promise of benefit for the people of this country that any delay in getting them underway would be indefensible.

An example of one such area is the work that needs to be done to develop an artificial heart. Heart failure of one kind or another is now the leading killer in this country. Many of its victims could be saved and restored to useful life if some longer term assistance than is now available could be given to the heart while it recuperates. The present heart-lung machines have made possible the modern miracles of heart surgery but they can only take the place of a normal heart for a matter of hours—long enough to give time for an operation but not nearly long enough to sustain life for more protracted periods of therapy or to give nature time to repair heart damage.

Thousands of lives will be saved when a device is developed which can take over the duties of the heart not for a matter of hours but for days or for weeks. Scientists are agreed that such a device is well within the realm of possibility but many unresolved problems stand in the way and a major developmental program is needed to bring it into being.

This country has not hesitated to pour hundreds of millions of dollars into the developmental research needed to put a man into orbit. I see no reason why so important a project as the development of an artificial heart should not be approached with the same vigor and determination. Despite the great complexities of the problem, the amount of money needed will be considerably less and the

benefits to the individual citizen—and, I suspect, to the Nation—will be very much greater.

The development of an artificial heart which can be implanted in the body to take the place of a natural heart whose function can not be restored is the ultimate goal but presents much greater difficulties. The achievement of this goal will necessarily lie much further in the future. But its achievement can be speeded up by decades if we make it possible for scientists to tackle that problem with the same determination with which they have so successfully tackled equally difficult problems in nuclear and space research.

The possibility of developing a replacement for the heart has been regarded as a feasible research objective for more than 7 years. Little support has been available during this period for research in this field but individual investigators have worked on it as best they could and have at least demonstrated the project's feasibility. About 20 experimental blood pumps have already been tested on animals with varying degrees of success.

Mr. Chairman, success in so complex a venture requires a sustained and coordinated attack. Plans for such an attack have been drawn up by the National Heart Institute with the advice of a distinguished group of specialists. These plans include the establishment of multidisciplinary research groups which will devote themselves to an intensive study of the problems in this area. These groups will draw heavily on our national engineering capability and will need to make contractual arrangements with industrial firms having competence and experience in such fields as miniaturization, plastics, and electronics to develop or produce experimental devices to explore new approaches to the problem.

The increase of \$2.5 million in the appropriation for the National Heart Institute will make it possible to get this work underway.

The development of an artificial kidney presents a similar opportunity for a lifesaving advance against a group of diseases that each year claim thousands of lives.

The artificial kidney device now available is a complex laboratory model. Very few exist and their duplication is limited by the scarcity of the highly trained technical personnel needed to operate them. The process is very expensive—it costs about \$10,000 a year for a single patient—and the patient must go to the hospital at frequent intervals to have his blood purified by this artificial kidney.

The feasibility of an external device that will do the work of the kidneys has, however, been clearly demonstrated. What is needed now is a major effort to solve the problems standing in the way of the development of a machine that will be easier to operate and that can be made available to the victims of kidney failure at a more reasonable cost.

Not all illness involving kidney failure can be successfully treated by the use of an artificial kidney. It has, however, been estimated that, if artificial kidneys were generally available today, several thousand new cases could be treated each

year. In a few years the number of people whose lives will be sustained by these devices, would number in the tens of thousands.

The increase of \$2 million included in the bill for the National Institute of Arthritis and Metabolic Diseases for this project is a very small investment when measured in terms of the number of lives it may save.

I shall single out only one more example of the special purposes served by the increases recommended by the committee.

This is the increase of \$1,250,000 for the Division of Computer Research and Technology at NIH. This is a new Division which is being set up to exploit the tremendous capabilities of computers both for biomedical research and for the treatment of patients.

Computers are already being used for a variety of purposes in the treatment of patients—such as, for example, in the more accurate determination and control of exposure to radiation for cancer patients. Computers are also extensively used in drug-screening programs and some progress has been made in using computers to select the most effective drug for a given patient.

The full range of the application of computers to medical problems, however, remains to be explored. The division will work on such projects as the application of computers to the rapid interpretation of X-ray photographs and electrocardiograms, the automatic analysis of laboratory specimens, the testing of blood samples, the retrieval and correlation of laboratory data, and the building of mathematical models of biological processes which will make possible closely controlled studies that cannot be carried out by ordinary laboratory or clinical procedures.

The application of computer technology to biomedical problems is in its infancy. Many of the basic problems of transplanting biological information into computer language remain to be solved—one of the most difficult communication problems in the life sciences is the communication between man and machine. The new division will undertake intensive work in this area. It will also provide training not only for young scientists who want to make a career in the promising new field of biomathematics but for other scientists in order to help them to take advantage of computers as a powerful tool for their on-going research.

The committee is particularly impressed by the opportunities for new approaches to health research problems that will result from the harnessing of computer capabilities to the more traditional biomedical research procedures. It should like to see this field developed as rapidly as possible so that its potential benefits to the improvement of the diagnosis and treatment of disease will not be unnecessarily delayed.

I am convinced that the increases for the National Institutes of Health recommended by the committee are a sound and wise expenditure of public funds. I cannot think of a more worthwhile contribution that the Federal Government can make to the national welfare than the continuing and energetic support of work that so directly affects the well-being of every citizen.

In the area of hospital construction last year we increased the authorizations under the Hill-Burton Act. The bill we bring before you today is \$100 million below the authorizations. It is below the President's figure by about \$40 million because of the formula which was involved in marking up this particular bill.

I do not believe for a minute that the other body will not add some authorizations, but to me authorizations are not sacred cows. It is my hope that we can keep this spending level somewhere in line, because there are many other hospital construction programs which are in being at the present time, such as under the Appalachia program. In January we will have the Great Lakes program. We will now go forward with a new accelerated public works program and a depressed areas aid program, all in the area of hospital construction.

So I think the recommendation of this committee is just and fair in this area.

Mr. Chairman, there is one other area that I would like to discuss. It concerns an amendment enacted in the 2d session of the 88th Congress and deals with the vocational rehabilitation portion of the HEW appropriation bill.

During the course of the 88th Congress, certain facts had come to my attention which, on examination, compelled me to offer an amendment to Public Law 565 to make possible the use of funds of private nonprofit agencies to serve as the State's share in the matching of Federal money for construction of rehabilitation facilities and workshops. This amendment was accepted by the committee and by the Congress and came to be known as the Laird amendment.

For a few brief moments, Mr. Chairman, I would like to discuss, for the record, the background of the Laird amendment.

In 1954 Public Law 565 was hailed in Wisconsin and other States as a historic milestone in rehabilitation history. Little was it dreamed at the time that within a few years this monumental legislation would pose a threat to the very functioning of the State of Wisconsin Rehabilitation Division because of a legal technicality. In 1961 the State agency was faced with potential audit exceptions in excess of \$500,000, when Federal auditors determined that the law's fund matching procedures had not been followed properly in the case of the Racine Curative Workshop and a similar Madison project.

Wisconsin had amended its State plan in 1956 as a means of improving rehabilitation facilities in the State. The amendment reads in part:

The State funds required for the establishment of rehabilitation facilities will be obtained from contributions made by private organizations and/or individuals which will be deposited in the State revolving fund.

The regional office of the Office of Vocational Rehabilitation—now Vocational Rehabilitation Administration—indicated OVR approval of the amendment, and the Wisconsin agency proceeded under the extension and improvement sections of Public Law 565 in the belief that its operations were fully within the law. Arrangements were made in 1958 for construction of badly

needed sheltered workshop facilities in the Racine area, and expansion of a Madison rehabilitation center was undertaken. Private organizations had donated money to the State agency for expansion of rehabilitation facilities in Wisconsin, and these funds served as the State's share of the State-Federal matching agreement.

This seemed natural enough. Under Hill-Burton Hospital Construction Act, this procedure was followed in hospital construction, communities providing matching funds. It was not until 1961 that Wisconsin learned the Department of Health, Education, and Welfare treated matching funds in two distinct ways. For hospitals under Hill-Burton, community participation was fine. For workshops and rehabilitation centers under Public Law 565, community participation was illegal. And just why the difference? Certain wording in Public Law 565 did lend itself to that rigid interpretation, and the first State to feel the bite was Wisconsin.

If the Racine project had been developed under Hill-Burton principles, the financial participation of the community would have been encouraged and accepted without question. This meant that two policies in basic opposition to each other existed in one Federal agency, and the resulting confusion was bound to result in a slowing down of the rehabilitation expansion intended by Public Law 565. For Wisconsin, a law that was designed to aid the disabled almost resulted in drastic curtailment of services to the disabled. The \$500,000 audit exceptions would have seriously impaired the Rehabilitation Division's functioning for many years.

In addition to sharply reducing case service, this interpretation of Public Law 565 would have dealt a damaging blow to the further development of sheltered workshops and rehabilitation centers in Wisconsin. The State legislature, pressed at every turn for departmental budget increases, has been unable to allocate the money necessary to match all available Federal funds. The State funds appropriated must be used primarily in regular agency operation. This leaves the State in the ironic position of rejecting Federal funds as unmatchable, while at the same time rejecting requests for aid in establishing the sheltered workshops for which the Federal funds were earmarked. Communities requesting these facilities indicated substantial amounts were available to the State for matching Federal money. The local groups were amazed and confused to learn that though they built a general hospital on that basis, they could not establish or expand a sheltered workshop. This went against the grain of Wisconsin's philosophy of government which has always stressed the importance of cooperation at all levels between the statutory bodies and taxpayer public.

One of the pioneers in vocational rehabilitation, Wisconsin was a leader in expanding services into the more difficult disability areas prior to Public Law 565. And even greater expansion was planned under the 1954 law, particularly in the development of sheltered workshops and rehabilitation centers

which are at the heart of modern rehabilitation programs.

Such development threatened to come to a halt as the result of the 1961 interpretations of Public Law 565. This would have been a tragedy of the first order for the disabled and was averted only by the Laird amendment of Public Law 565. Now it is not only possible to match the funds of the private non-profit agencies but the validity of the practice has been made retroactive to 1958, thus giving congressional endorsement to the procedures used in Wisconsin since that time.

Mr. Chairman, it should be realized that vocational rehabilitation service in any State is not complete with adequate sheltered workshops and medically oriented rehabilitation facilities. Certain categories of handicapped people can never be expected to enter and succeed in competitive employment. For this group, work opportunities must be provided that are compatible with the skills, aptitudes and capacities of the individual.

Sheltered workshops provide a satisfactory solution to this problem, as they enable the worker to be profitably employed in a less demanding situation than would ordinarily be found in private industry. Another large group of handicapped people are unemployable because they have been hospitalized for varying lengths of time in mental hospitals and colonies for the mentally retarded. In many instances a short period of personal adjustment is all that is necessary to develop suitable attitudes and behavior patterns leading to competitive employment. These basic truths of rehabilitation were put forth in Public Law 565.

If workshop services are not available, over half of the handicapped population cannot enter proper rehabilitation programs. This problem has long been recognized by professional rehabilitation workers, but in the absence of a State and Federal subsidy to lend impetus, the establishment of workshops has come slowly since it is entirely a local community responsibility. Unless an aggressive, energetic local group took the initiative, they were not developed.

Only 16 workshops are in operation in Wisconsin at present, together serving an average of about 1,000 persons daily, or just a small portion of the total in need of sheltered workshop services. With the exception of Racine, all of these enterprises have been established without the aid of Federal or State funds. They are doing an excellent job, to be sure, but they are really only touching the surface. At least triple the present number should be enrolled in workshop activity and would be if the service was available.

The following Wisconsin groups have indicated immediate interest in taking advantage of the matching provisions made possible by the Laird amendment: Curative Workshop of Milwaukee, Curative Workshop of Racine, and Curative Workshop of Green Bay, and Brown County Sheltered Workshop, all combination workshops and rehabilitation facilities; Fox River Valley Sheltered

Workshop, Appleton; Holiday House, Manitowoc; Work Adjustment Services, Neenah; Opportunity Center, Sheboygan; Goodwill Industries, Milwaukee; Opportunity Center, Madison; Rock County Sheltered Workshop, Janesville; Christian League for the Handicapped, Walworth; Jewish Vocational Service, Milwaukee; DePaul Rehabilitation Center, Milwaukee, combination workshop and rehabilitation facility; Waukesha Training Center; Shelter for Handicapped, Eau Claire; St. John's School for the Deaf, Milwaukee; St. Mary's Hospital of Wausau, St. Camillus of Milwaukee, St. Luke's of Milwaukee, Mount Sinai of Milwaukee, and University Hospitals, Madison, all medically oriented rehabilitation facilities.

In response to a recent questionnaire, the above facilities indicated that approximately \$500,000 in local funds would be available during the fiscal year beginning July 1, 1965, if they could utilize Federal matching in an approximate ratio of 40 percent local to 60 percent Federal. This would mean a total expansion program of \$1,250,000, a tremendous boost to Wisconsin rehabilitation.

Indications are that the need for medically oriented rehabilitation facilities is not as acute in Wisconsin as in some areas. Many hospitals have developed adequate departments of physical medicine and rehabilitation which are doing an excellent job of meeting the medical rehabilitation needs of Wisconsin's handicapped. Rehabilitation authorities stress that what is needed the most is a comprehensive center which could offer both complete medical and vocational services.

Mr. Chairman, as I said earlier, the Laird amendment now makes possible the matching, under the vocational rehabilitation grants to States program, of contributed funds earmarked by the donor for the establishment of rehabilitation facilities and workshops. It opens up an important avenue for the support and development of rehabilitation facilities and workshops under private auspices.

Traditionally, most rehabilitation facilities and workshops have been started and operated under private auspices. We expect this practice to continue in the future. Consequently, this new resource for assisting in expanding rehabilitation facilities and workshops under private auspices will make a very real contribution toward increasing the resources needed for the rehabilitation of the disabled.

For a number of years, we have recognized joint public and private financing of the establishment of facilities as being one of the great untapped resources for developing better rehabilitation services for the disabled. This was recognized when authority to include rehabilitation facilities was added to the Hill-Burton Act in 1954. The proposed legislative program of the Vocational Rehabilitation Administration took this into account last year, but no final action on these proposals was taken in the last session of the Congress. Consequently, this amendment to the Health, Educa-

tion, and Welfare Appropriation Act passed last summer, makes it possible to use both public and private resources far more speedily and effectively than would otherwise be the case.

A number of States, particularly those with insufficient public State funds to match all of the Federal funds allotted to them, will find the "Laird amendment" a good way to increase rehabilitation facilities and workshops in the State, at the same time appropriations are being raised by State legislatures, and thereby have the services available when money to purchase them is at hand.

Projects that could use somewhere around \$20 million in Federal funds next year have been identified by State rehabilitation agencies. These projects range from small additions to community workshops to extensive remodeling and expansion of comprehensive rehabilitation centers. The estimates range from no additional funds in eight States to \$1,140,000 in Ohio and \$1,340,000 in Washington.

Various kinds of projects are included in State estimates. For example, about 20 percent of the funds would come from Goodwill Industries for the expansion and improvement of sheltered workshops, including rehabilitation facility programs located in such workshops. About 6 percent of the funds would be for facilities focusing on the needs of the mentally retarded and about 10 percent would be located in schools and universities.

Care must be taken to insure orderly development of the expansion of resources through the establishment of rehabilitation facilities and workshops made possible by this new source of financing. It is also important that the continuance of good standards be assured.

What can be done effectively next year should be in keeping with the total investment for establishing rehabilitation facilities and workshops in the total State program and assurance of community and State support for the people served should be forthcoming.

It is expected that under the Laird amendment new rehabilitation facilities will help fill the wide gaps now existing in services for the handicapped, not just in Wisconsin but throughout the Nation. New hope for the disabled grew out of Public Law 565. Now, as amended, the law provides still greater hope.

Mr. Chairman, the gentleman from Rhode Island, with whom I have worked long and hard and for whom I have great respect, has stated that this bill was worked out in a spirit of compromise within our committee. Realizing full well the makeup of this Congress, I certainly believe that we have come out with the best kind of a compromise possible. I am proud of my support of the President of the United States in the committee on these appropriation items. I feel that this support can be evidenced in many other ways. At the present time down in the Department of Defense there is a new request being set up for some \$700 million of spending, on which request we are now holding hearings down-



stairs in the committee room. I had hoped that we could delay action on this Labor-HEW bill until we could be down there and listen to the testimony of the Secretary of Defense on this very important appropriation request.

During the quorum call period I went down to the subcommittee room and was disappointed to learn that there are no justifications for this particular request and that they will probably not be ready for a week or 10 days. After I found that out I realized that the place for me to be was here on the floor of this House, because I do not like to be any part of an appropriation hearing when there are no justifications available to consider.

Mr. Chairman, let me say that this particular bill is a bill which I believe every Member of this House of Representatives can support and, Mr. Chairman, I am sure they will support it when the roll is called later on this afternoon.

Mr. LAIRD. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. MICHEL].

(Mr. MICHEL asked and was given permission to revise and extend his remarks.)

Mr. MICHEL. Mr. Chairman, you have heard a very able presentation, pretty much on a line item basis, by our good chairman, the gentleman from Rhode Island [Mr. FOGARTY]. Some of the concern that we have on the minority side has been very ably expressed in the remarks of the gentleman from Wisconsin [Mr. LAIRD]. I think it should be pointed out, as many of you are aware, that this is really the fastest growing Department of the Government today, namely, the Department of Health, Education, and Welfare. The biggest increases in appropriations over the past few years, with the possible exception of our space activities, have been in this area of health, education, and welfare. The bill here is for all practical purposes, an \$8 billion bill, or \$1 billion over the bill that we had before us last year. Our good chairman, Congressman FOGARTY, made mention of fact that it is \$329 million under the budget request, and he did make the point that \$242 million of it is involved in grants to the States for public assistance. Personally I think this is a phony cut, because you recall several weeks ago, when we had the supplemental appropriation bill before the House we anted up \$407 million for additions in grants to the States in this public assistance area. So I suspect that notwithstanding all we have been doing in this general area through this legislation that we will still be coming back for supplementals, because many States have not taken appropriate action to clean up their programs, as was discussed by our good chairman, the gentleman from Rhode Island [Mr. FOGARTY].

Mr. GROSS of Iowa raised the question as to what would be involved in supplemental requests, and as the gentleman from Wisconsin [Mr. LAIRD] so well phrased it, it is somewhere in the neighborhood of \$3 billion. I suspect that by the time we end up this fiscal year, 1966, we will have appropriations aggregating \$11 billion for HEW.

This does raise some concern, particularly to those of us who heard the President this morning in his personal appeal for the urgency of a \$700 million request to take care—and mind you, that is supposedly only for this current fiscal year—to take care of what is going on in South Vietnam. I could not help thinking this morning that maybe if the urgency is what the President declared it to be, we ought to be giving a lot more consideration and attention to these new programs we are enacting into law here, authorizing additional expenditures in this area of health, education, and welfare.

I think some of these programs are very fine, indeed. The chairman of our committee, I am sure, would support them to the ultimate, with the exception, possibly, of a time of openly declared war. But I am really concerned about it, because if it is \$700 million for South Vietnam for 2 months, May and June, it is quite conceivable that it will be \$5 billion for the next fiscal year if things do not get any better, and they look to be getting worse rather than better.

This is going to bring about a larger deficit; then we are going to have inflation, and several of us on the way back from the White House this morning felt that possibly we ought to mortgage everything and buy something in real property, so that we can hedge against the inflation that surely is in store for us.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I am delighted to yield to the gentleman from Wisconsin.

Mr. LAIRD. Mr. Chairman, I would like to state this to the gentleman. I believe the \$700 million special defense figure which was referred to and that the President spoke of this morning, when he said that this amount would be expended by June 30, I believe that is not the case. I just developed this point at some length with the Secretary of Defense. I think that there was an error in the President's remarks. This error has now been corrected in the hearing before the House Defense Appropriations Committee.

Mr. MICHEL. I am glad to have that correction for the record. There is no question, as you read our report and read the line items, you will find research—research—research. It seems to be the sacrosanct area, ever since the launching of sputnik. We have been devoting more and more time to education and research and I think to justify these increased amounts many of these agencies are coming up each year with requests simply for research and more research.

I want to point out for the Food and Drug Administration, for example, we have \$56 million in the bill. Do you know that that is an increase from \$14 million just 5 years ago, in 1960? Another subcommittee on which I serve, the Subcommittee for Agriculture, we deal with pesticides and research in that area. On the other side of the coin we find Food and Drug Administration. There is an amount of \$5.8 million for research, evaluation, and enforcement of pesticide control. So on one hand we appropriate for

research on more and better pesticides in agriculture and through HEW we appropriate for research to control pesticides.

In the vocational education item we have \$262 million, an increase of \$104 million over last year. Some of us are of the opinion that maybe we are moving a little bit too fast in this area. Frankly, with all the attention that has been given to education and rehabilitation, the Job Corps and one thing and another, we hope this money will be spent wisely in this area.

In the area of higher education, facilities construction, we have no alternative. We have authorized the legislation, and now we have to ante up the money. This will show as an increase of \$178 million over last year and will provide full funding or a total of \$641,750,000.

In vocational rehabilitation we have an item of \$124 million which represents practically a \$24 million increase over last year.

Research and training in this item totals \$46 million.

Mr. Chairman, I am reminded of a call which I received on yesterday, a frantic call, from a mother of a 14-year-old girl who suffers from bulbar polio. She has been down at the Warm Springs Foundation for several months in each of the last 3 years and has been advised that they are strapped for money and this 14-year-old girl may be foreclosed from further help and assistance this year.

Mr. Chairman, this young lady is at that age, however, where she can apply for assistance through our vocational rehabilitation program. In Peoria, for example, we have one of the finest rehabilitation centers for the physically handicapped. Of course, here is one of those areas where we have Federal grants again to the States for a very important and vital program.

Mr. Chairman, our distinguished chairman of the subcommittee pointed out so well that most of this bill embodies simply grants-in-aid to the States and we are bound by certain formulas which, of course, we prescribe by legislative action here in the House of Representatives.

Personally, Mr. Chairman, I wish we could have cut some items and held others to a more reasonable figure, but as the gentleman from Wisconsin [Mr. LAIRD] pointed out so well, we had to compromise and it is in this spirit of compromise, that we come to you today with this bill and I stand by commitment to support it when it comes to a vote.

Mr. LAIRD. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. BOW].

(Mr. BOW asked and was given permission to revise and extend his remarks.)

Mr. BOW. Mr. Chairman, I do not believe there is any Member of this House who owes more to scientific research and research in medicine and the development of modern medicine than I do.

Mr. Chairman, some of my colleagues will remember not many years ago I was paralyzed and came onto this floor for many months in a wheelchair, and then

on crutches. A few years after that, I had a coronary from which I have recovered and I feel I could challenge most anyone in this House in an athletic contest today.

But, Mr. Chairman, I owe much of this to the development of our health standards.

The gentleman from Rhode Island [Mr. FOGARTY] has made great contributions to these developments, as has the gentleman from Wisconsin [Mr. LAIRD] and their subcommittee. Those of us who have been beneficiaries of these developments owe much to them.

So, Mr. Chairman, it is a little difficult for me to stand here today in somewhat of a critical way of this bill. However, this has gotten to be something like the defense appropriation bill used to be, you just do not talk against it any more. But it seems to me, Mr. Chairman, that it is necessary for us to begin to look where we are going and what we are doing.

Mr. Chairman, the advocates of economy have been very quiet both in the public and the private sectors. People do not seem to care much any more about where we are going on this road of spending.

But, Mr. Chairman, this is an \$8 billion bill, \$8 billion, and as the gentleman from Wisconsin has said within a few weeks it will be much more. Before too long we are going to have a bill here almost as high as the bill for the Department of Defense.

Mr. Chairman, this bill was reported by the House Appropriations Committee and it has been publicized as cutting the budget by \$329 million, \$274 million in the Department of Health, Education, and Welfare and \$50.7 million in the Department of Labor.

Of the \$275 million cut in the Department of Health, Education, and Welfare, \$242.1 million is in the appropriation for grants to States for public assistance.

We are again in an annual situation. The budget request for public assistance comes to the Congress from the administration too low. Then Congress cuts it further to make its own record of cuts look good, then a supplemental budget estimate comes up from the Department of Health, Education, and Welfare the following year to provide the money that should have been appropriated in the first place.

Last week we approved the conference report on the second supplemental appropriation bill, 1965, that provides \$407.9 million for public assistance. It was not in the regular annual appropriation bill last year for two reasons. The administration did not ask for enough money. Their estimate was short by just over \$200 million. The balance—the other \$200 million—was needed because of the congressional cut in the bill. So, when you look at this \$242 million reduction in this bill, I can say to you you are going to get it back in a supplemental, so this \$242 million, in my estimation, is not a true cut.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would like to join with the gentleman in his sentiment that this public welfare assistance program be reviewed. Personally, I believe this could be substantiated fully if the program was administered in all of the 50 States in accordance with many of the practices that are presently being followed. A very good staff of experts looked over this program some time ago. There was also a review here in the District of Columbia. They found in each case that the percentage of illegal payments or payments made to people who were not eligible in some jurisdictions was running as high as 30 percent. It would seem to me if the legislative committee does not go into this thoroughly and follow through with an investigation on the use of these welfare funds, and if they come back for more funds next year, I would hope that the Appropriations Committee would insist upon a full investigation of the use of these particular funds.

Mr. BOW. I agree with the gentleman, and I thank him for his contribution. We have been making investigations upon investigations on how these funds are being used, and we still have the practice of not appropriating enough, then they have to come back in a supplemental if it is a grant-in-aid, or matching funds, and what can we do about it? It seems to be the committees should get down and take a real hard look at it, or we are going to run into a difficult situation.

I have before me a report on why this was made, and if they follow through in this it will be fine. If we had an investigation to find out how this grant-in-aid money is used, it seems to me, for public assistance, we could get some place, but bear in mind this appropriation now calls for \$3 billion in grants-in-aid and public assistance compared with \$2,037 million in 1966. Think where we are going.

I recognize this committee has very little to do with it. The authorizing committees bring it in, and the gentleman says we will have more. The Public Health Service total in 1960 was \$841,263,000 grants for indirect health activities, yet this bill leaves \$796,018,000, which compares with \$2,047 billion in this bill for 1966. The increase since 1960 has been \$1.251 billion.

I can remember, Mr. Chairman, and I am sure many of you remember, Bob Rich, who used to stand on this floor every day and ask "Where are you going to get the money? Where is the money coming from?" But nobody seems to care any more. There are a few, I admit.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. A member of the Subcommittee on Appropriations on the floor only a few moments ago, I believe, said that in 1954 the House spent a couple or 3 days in the consideration of this bill at that time holding it to slightly under approximately \$2 billion. Today it is \$8 billion. That represents the growth of the Health, Education, and Welfare

Department bill. I join with the gentleman in saying, "Where is the money going to come from to pay the bills that are accruing against the taxpayers of this country today"—all of them? I am glad the gentleman mentioned the \$242 million. I tried to get an answer to that a while ago. Is this coming back to us in a few weeks or in a month or two? Will it come back to us again in a deficiency appropriation bill?

Mr. BOW. This has become an annual practice and I expect to see it again next year. I think we ought to be raising this question and talk about it and try to find out how we can find some way to cut down on the expenses of the grants-in-aid to the States. But instead of that we are authorizing more money all the time.

Mr. GROSS. One further question, if the gentleman will yield.

Is there any recognition in this bill in any way as to the money that was contained in the second supplemental appropriation bill? Does this bill give any recognition to the money that was appropriated in the second supplemental appropriation bill?

Mr. BOW. I do not recall that there was.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Wisconsin.

Mr. LAIRD. Yes, it does, may I say in answer to the gentleman from Iowa. But that is all for the fiscal year 1965. I would like to point out one further thing though as part of the colloquy between the gentleman from Iowa and the distinguished ranking minority member of the Committee on Appropriations, the gentleman from Ohio [Mr. Bow], and that is this. The medicare bill which passed this House the other day adds \$800 million to this very item that the gentleman is talking about. That medicare bill which was passed here adds in the area of child welfare and it adds in the area of maternal benefits—maternal and child welfare benefits. It changes the matching program under the Kerr-Mills bill through the incorporation of elder care provisions raising that matching amount so that there will be a supplemental request as soon as the other body acts, and instead of adding \$3 billion in this area as soon as the medicare bill passes the other body in general revenue, this figure will be immediately increased in the fiscal year 1967.

Mr. BOW. The gentleman is absolutely correct. There is no question about it.

Mr. LAIRD. But the important thing is that those are the votes that count. That is where the increases are made.

Mr. BOW. It is the authorization that counts. I know exactly what the gentleman is suggesting with his questions and answers.

Now let us go back to this bill again. This bill takes credit for a cut of \$44 million in hospital construction activity from the \$303.4 million requested to \$259 million—\$13.2 million more than was appropriated for 1965.

Now the authorizing legislation for 1965 had a formula in it as to how much could be used for new construction and what could be used for remodeling. If the budget figure had been used, it would have been subject to a point of order. Therefore, it was cut down. But your actual cost of construction on this has not been reduced at all.

Now there has been some language on other Federal funds, but I shall not go into that, but we are getting to the point where we are losing control of matching funds. New formulas are being adopted.

This is exactly opposite to the views of the HEW budget officer on the requirement for matching of Federal funds by the States. During the hearings this year he said:

It seems to me that we depend upon a great number of things for protection and matching is one of them. If people put up a substantial part of their own funds, it gives the Federal Government some degree of protection that they are going to use their funds wisely. Therefore, if you are not putting up total funds, if half of the funds belong in the sponsoring agency, he is likely to have used a judgment that will keep it from being an extravagance.

That is in the record. I agree with the budget officer of the Department of Health, Education, and Welfare. In the House we are beginning to get away from matching funds, to get away from control. It seems to me we must take a closer look at this.

Since time is going on, I shall have to turn to some other matters.

Let me point out that in this bill there are increases over the budget estimates.

For the Bureau of Labor Standards, salaries and expenses, the amount is \$48,000.

For the Wage and Hour Division it is \$500,000.

For the Bureau of Employees Compensation, salaries and expenses, it is \$184,000.

These are all figures higher than the budget estimates.

For the Office of Education it is \$5 million.

For the Vocational Rehabilitation Administration it is \$200,000.

For the Public Health Service, buildings and facilities, it is \$1,650,000 higher than the budget estimates.

For injury control it is \$301,000 more than the budget estimates.

For chronic diseases and health of the aged the figure is \$5,250,000 more than the budget estimates.

For hospital construction activities it is \$1.5 million more than the budget estimates.

For air pollution it is \$1,634,000 more than the budget estimates.

For environmental engineering and sanitation it is \$549,000 more than the budget estimates.

For occupational health it is \$140,000 more than the budget estimates.

For radiological health the figure is \$226,000 more than the budget estimates.

For water supply and water pollution control it is \$3,913,000 more than the budget estimates.

The figure, for that particular one, is \$40,601,000, yet this is \$3,913,000 more than the budget estimates.

For hospitals and medical care it is \$864,000 over the budget estimates, and that is a figure of \$56,846,000.

For the National Institutes of Health, general services and research, it is \$1,250,000 over the budget estimates. That particular one involves \$58,719,000.

For the National Cancer Institute the figure is \$3,650,000 higher than the budget estimates, and that is \$149,968,000.

For the National Institute of Arthritis and Metabolic Diseases it is \$2 million over the budget estimates of \$119,203,000.

For St. Elizabeths Hospital, salaries and expenses, indefinite, it is \$133,000 over the budget estimates, and that figure is \$29,753,000.

For the American Printing House for the Blind it is \$91,000, and the budget estimate was \$909,000.

These are all items which have great appeal. They are good items. But when we look at the items in the budget and see the millions and millions of dollars, there is a question, "Why go over the budget estimates?"

Study of these items has been made by the Bureau of the Budget. Requests have been made by these divisions.

This gives me great concern.

Let us take a look at the last monthly statement of receipts and expenditures of the U.S. Government for the period from July 1, 1964, to March 31, 1965.

This reveals that the Department of Health, Education, and Welfare is spending at a rate of \$36,591,000 faster than in the same period in fiscal year 1964. This applies only to the administrative budget. So far this year the Department of Health, Education, and Welfare has spent \$4,117,655,000 compared with \$4,081,064,000 in last year. This item is going up. It is constantly increasing.

They are doing great things in this division, but all of it cannot be done with money. It requires brains. It requires manpower. People must be hired. One cannot move too fast.

It seems to me this could have been cut down.

I am not going to offer amendments today to make reductions, but I would hope that in the future we could keep closer to the budget estimates, because this will get completely out of hand if we keep giving them money of this kind.

Mr. MICHEL. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Illinois.

Mr. MICHEL. I believe it would be appropriate at this point to say that though I do not have all the figures for increased personnel for the entire bill, in one office, the Office of Education, this bill calls for more than 1,600 employees for the coming fiscal year, as compared to 1,165 in 1964. That is for the Office of Education.

Mr. BOW. I thank the gentleman for his contribution.

Mr. HARVEY of Indiana. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Indiana.

Mr. HARVEY of Indiana. Mr. Chairman, I want to congratulate the gentleman on his very thoughtful presentation.

I know he has long given earnest and very fair and unbiased consideration to this problem. One of the problems we are facing throughout the country is the inability to keep our medical graduates from our various schools of medicine in the local areas. I am sure that the gentleman is finding in Ohio the same problem that we are finding in my own State of Indiana.

Mr. BOW. That is right.

Mr. HARVEY of Indiana. And in the course of a discussion of this subject not very long ago with some of the authorities from the State of Indiana the statement was made that the Federal Government in its various activities is preempting so many of our medical graduates for one type of effort or another that they are not leaving enough of these qualified men who would otherwise become local practitioners in Indiana or in the gentleman's State of Ohio. I wonder if the gentleman would care to comment on that.

Mr. BOW. I think the gentleman is absolutely right. The Government is moving into this field and, it is true, in all areas of education. There are so many Government contracts being made with colleges and universities for everything that we are doing that you have the professors from the universities working on theses and under contract for making reports to the Government and have students teaching now in the colleges and universities. The professors are doing this Government work on contract and are leaving the teaching to students. When the time comes I believe that we have to have a discussion about this at some time, because instead of having these employees of the Government do the job for us, all of this work is going out to the colleges. I have been utterly amazed at the increase in this sort of thing over the last 5 years, as shown by the studies being made now. In commerce alone it has gone up about fivefold. They are doing more and more of it, and they have gotten so busy now in the colleges and universities of this country, being paid by taxpayers' dollars to make reports to the U.S. Government, that the professors just do not have time to teach our children any more.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. LAIRD. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. HARVEY of Indiana. Will the gentleman yield to me further?

Mr. BOW. I yield to the gentleman.

Mr. HARVEY of Indiana. In connection with his observations, I want to mention a fact that came to my attention recently with regard to the diversion of talents and efforts in our educational institutions in areas that are not considered normally to be their proper function as educational institutions. The figure was quoted to me that Massachusetts Institute of Technology, which I think is usually regarded as one of the outstanding engineering institutions in the country, today counts more than 80 percent of its total budget in terms of receipts from the Federal Government.

Mr. BOW. I agree with the gentleman. One thing I was going to say about

some of these things going on at NIH is that I was particularly impressed by the one of the scientists going down now to South America and getting frogs and whistling to them and chucking them under the chin in order to get some serum or something from them by that process. I do not know whether it is necessary to teach our scientists to whistle to frogs and chuck them under the chin in order to attain some results.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman.

Mr. COLMER. The gentleman made some reference to an appropriation in excess of the budget request here.

Mr. BOW. Yes, I did.

Mr. COLMER. Can the gentleman tell us what the net result is in the entire bill?

Mr. BOW. My recollection is, on the items which I called to your attention, about \$34 million.

Mr. COLMER. I was wondering what the net difference is between the budget recommendations in the overall bill and the amount appropriated here.

Mr. BOW. Of course, the bill shows a reduction of about \$242 million, but I may say to the gentleman that I do not think it is a real reduction, because that comprises the contribution to the States and, as has happened every year, they will be back up here with a supplemental to pick that up. So I think it is actually \$34 million.

Mr. HARVEY of Indiana. I thank the gentleman.

Mr. LAIRD. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. SHRIVER].

(Mr. SHRIVER asked was given permission to revise and extend his remarks.)

Mr. SHRIVER. Mr. Chairman, as a member of the subcommittee I rise in support of H.R. 7765 which provides appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the 1966 fiscal year.

In this bill we are providing nearly \$8 billion for the operations of these departments with over \$7.3 billion budgeted for the Department of Health, Education, and Welfare. The Committee on Appropriations has reduced the spending requests of the various departments by nearly \$330 million; but this bill provides \$261 million more than was appropriated for the 1965 fiscal year.

The departmental requests were thoroughly considered and reviewed by the committee. Our subcommittee conducted hearings from early February until the latter part of March. More than 4,000 pages of testimony is included in the printed hearings. I commend the Chairman for his thoroughness, his energy and his dedication.

There is a candid discussion in the committee report on a number of the weaknesses and shortcomings relating to the budget activities of certain bureaus and agencies.

The bill includes \$3 billion for public assistance grants to States by the Welfare Administration. This is a reduction of 6 percent below the appropriation for

1965 and has been said before over \$242 million less than requested in the administration's budget.

This represents a modest decrease when we consider the expansion of programs under the social security program in 1962 which were aimed at reducing dependency; expansion of vocational rehabilitation programs designed to take people off welfare rolls; and in view of the massive spending advocated in the antipoverty programs.

The committee has made several significant restorations and additions in this appropriations measure. In the light of what appears to be a deemphasis of certain veterans programs by the administration, the committee has recommended restoration of a proposed \$427,500 cut in the funds of the Veterans Employment Service in the Labor Department budget. No new funds, however, are required. The Department will absorb this restoration.

The committee, and many of us in the Congress, are committed to those health programs that will lead us to new advances in the attack on major disease problems. Following testimony of medical and research authorities and by interested citizens and organizations across the Nation, the committee added funds over the budget request for the National Heart Institute to launch an artificial heart development program; an increase for the Institute of Arthritis and Metabolic Diseases to accelerate its research on various aspects of kidney disease; an increase for an intensified program of research on breast cancer by the National Cancer Institute; and restored \$2 million in the appropriation to continue the important undergraduate training program in medical and dental schools to advance the treatment of cancer.

Mr. REINECKE. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman.

Mr. REINECKE. I am interested in some of these health research grants. From the testimony before the committee, is the committee basing these additional appropriations on results of past work or is this just a continuation of programs in the past? Do we have an effective evaluation method to know that we are getting something for these hundreds of millions of dollars that we are spending?

Mr. SHRIVER. Mr. Chairman, I think if the gentleman has carefully read the hearings he will find that we have both.

Mr. REINECKE. Of course, I did not have a chance to read 4,700 pages of testimony, as the gentleman can well understand.

Mr. SHRIVER. I understand.

Mr. REINECKE. It is the gentleman's opinion that we are getting full value for the money that is being expended?

Mr. SHRIVER. Yes. Many of the advances that have been made in the area of health have been fully substantiated by appropriations made by the Congress in past years. The subcommittee felt definitely that we were getting value for the research that was being done.

One of the problems that I thought needed consideration was the dissemination of research information out over the country of research gains that have been made through the Department and the National Institutes of Health.

Mr. REINECKE. Do we have any agency that evaluates the effects of this research?

Mr. SHRIVER. Perhaps the chairman will answer that.

Mr. FOGARTY. Well, the Institutes of Health, they have the General Accounting Office, they have two congressional committees looking over their shoulders out there all the time, and their activities are reported to the Congress.

They had a blue-ribbon committee appointed which has just made a report.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. FOGARTY. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. SHRIVER. I thank the gentleman from Rhode Island.

Mr. FOGARTY. If the gentleman will yield further, they have a special committee that just reported to the Congress 4 or 5 weeks ago. They have the President's Committee on Science and Technology. They have about six or seven groups looking over their shoulders all the time and everyone has given the Institutes a clean bill of health.

Mr. REINECKE. Are these administrative committees or technical committees?

Mr. FOGARTY. They are both administrative committees and technical committees as well as task force committees set up by the President of the United States.

Mr. REINECKE. I thank the gentleman from Kansas for yielding.

Mr. MORTON. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman from Maryland.

Mr. MORTON. Could the gentleman tell me out of \$100,000 of research grant money that is to be appropriated within this bill for these specific research programs what portion of that money is overhead and what portion of it actually is used by technical people engaged in the research projects involved?

Mr. SHRIVER. I do not recall that we had it broken down in proportions, unless the chairman recalls the specific testimony.

Mr. FOGARTY. If the gentleman will yield further, all of the medical schools in the country have reached an agreement that they spend an average of 30 percent for overhead. The Defense Department's expense for overhead runs up to something like 40 percent or 45 percent. This is a very small amount.

Mr. MORTON. I thank the gentleman for yielding.

Mr. SHRIVER. Throughout the committee hearings it was particularly gratifying to me to hear various witnesses point up the leadership of my own State, the State of Kansas, particularly in the fields of mental health and education. It is always good to hear good reports concerning our own areas.

Mr. Chairman, we are asked to appropriate substantial moneys here today.



And there is heavy emphasis upon existing health and education programs. However, there are many new programs which have been authorized.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. FOGARTY. Mr. Chairman, I yield the gentleman 2 additional minutes.

Mr. SHRIVER. I thank the gentleman from Rhode Island. As I stated, Mr. Chairman, there are many new programs which have been authorized and others awaiting action which will have even a greater impact upon the Federal Treasury.

The administration has requested a substantial increase of \$1.3 billion in spending next year for the poverty program. While the much-heralded economic development program for Appalachia is not yet off the ground, plans are under way to initiate similar regional programs in other areas throughout the Nation.

The impact of new social security legislation, including the medicare program, is not yet reflected in the trust fund appropriation of the Social Security Administration. However the expenditures from the Federal old-age and survivors insurance trust fund will increase by nearly \$1.4 billion next year.

It has been stated many times before, but as we consider this appropriation measure it bears repeating: it is difficult to hold the line on spending after a program has been authorized by the Congress. We have a responsibility to the taxpayers of the Nation to effect meaningful economies at the time authorization legislation is considered in the House.

Mr. Chairman, the Appropriations Committee has done its best to seek full justification for the budget requests which are subject to House action today.

Mr. MICHEL. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman and members of the Committee, at the outset I want to take this opportunity to congratulate the chairman and the subcommittee for the fine work they have done in bringing forth this bill to the House.

I would like to ask the Chairman, however, about the item with regard to the public library grant program for fiscal year 1966.

It was my feeling that Mr. Keppel of the Department of Health, Education, and Welfare had asked for \$75 million in order to carry out this program.

Mr. FOGARTY. If the gentleman will yield, the Department of Education asked for \$75 million and the Budget Bureau cut this request by \$20 million. We gave the full amount that was authorized by the Bureau of the Budget.

Mr. CONTE. One other question. As I understand it from reading the hearings, the chairman felt that the library programs ought to reach \$155 million. The committee report indicates an estimated need of \$400 million just to build the needed public library space.

Mr. FOGARTY. There are some very high figures involved, but I do not remember that one. I might have said twice as much. I had in mind they had \$140 million worth of applications for construction of libraries that could be used out of the appropriated funds.

Mr. CONTE. I agree with the chairman, and I realize that \$155 million would be a barebone figure to carry out this program. I think it is a lot more important to build our libraries and teach our children rather than spending money in other ways around the country.

Mr. Chairman, I would like to express a word of regret and dismay over the decision of the administration to short change the vital public library program contained in this appropriation bill. I think we have here another classic example of the fundamental inconsistency between the thrilling rhetoric we get from the White House and the true mood and attitude of the President toward the honest needs of the Nation.

I feel strongly enough about this library matter that I would like to at least spell out the facts for the taxpayers—the same taxpayers, I might add, who are being asked to pay for such activities as a colossal gardening program in Washington and the most stupendous sectional pork barrel windfall of all time, the Appalachia program, which, I must confess, I am still at something of a loss to explain to my constituents.

I will not burden this body or waste its time with a harangue on the virtues of education and the merits of the broadest possible free library facility. I will rely on the good judgment and sincere concern for the Nation's welfare, which I am certain each of us feels in full measure. But I would like to call attention to some of the facts and figures in regard to the library appropriation.

The Office of Education framed a request for \$75 million for its public library grant program in fiscal 1966. The request was the distillation of, first, the fact that State and local funds available under the matching provisions of this program, at present far exceed the Federal Government's available funds. Further, the indications are that even more matching funds at the State and local level will be available in fiscal 1966. Thirdly, we have the estimate that some \$400 million is presently needed for construction alone, which does not include books, staff, maintenance, and upkeep merely to meet our present requirements.

These facts notwithstanding, the Bureau of the Budget chopped the amount requested for public library grants to \$55 million.

I am disappointed to note that the Appropriations Committee upheld this cut and has reported out an appropriation of only \$55 million for this important program. I am disappointed, because I have read the testimony and the statements, and I have noted the sympathy for this program on the part of the members of the subcommittee and its fine chairman, the distinguished gentleman from Rhode Island [Mr. FOGARTY].

During the hearings, the gentleman expressed amazement over the fact that \$20 million had been scrubbed out of the library program by the administration. I echo his amazement.

I might also point out that the gentleman expressed the feeling during his hearing on this matter that the appropriation ought to be \$155 million instead of \$55 million. I can echo his sentiments on this point too, and I am delighted to note his enthusiasm for this vital activity.

Mr. Chairman, it is a matter of legislative record that this library grant program has been among the most popular programs of its kind in each of the States. It has been popular because it is an honest, effective, worthwhile program which has yielded tangible benefits. I agree with the distinguished gentleman from Rhode Island that it is wrong to cut this program.

What is the use of creating such programs if they are not to be supported? The library program was extended last year by act of this Congress in response to a request from the administration. The administration was happy enough to take credit for it, as was right and proper. But I wonder how happy the administration is to assume the blame for betraying the promise it makes on the one hand by sapping the strength to fulfill it on the other.

I think what we have here is another example of this administration's manipulation of the books in an effort to work miracles for us while still keeping the budget under that mystical \$100 billion ceiling.

The administration is juggling the books and the victims are the taxpayers. Let us not kid ourselves and let us not kid the taxpayers. Let us not be deluded by the promise that the Great Society is going to cleanse us of ignorance and poverty completely free of charge. It cannot be done. We get only what we pay for. What we are unwilling to pay for, we are going to have to do without. I submit that this public library program is something we can ill afford to sacrifice on the altar of false economy.

I think it is high time we applied a little practical commonsense to some of these proposals. I am all in favor of green grass and pretty flowers—I have spent enough time in my own backyard trying to get these things to grow—but I wonder, on the balance, whether these are important enough to warrant the administration's austerity posture on such vital issues as support for the Nation's free public libraries.

Mr. MICHEL. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I am very anxious to ask a question or two, and am glad of this opportunity to do so.

In the matter of mental health: I wonder if this committee has made any study at all of the rather extraordinary work that is being done in Princeton in psychiatry in the building of the hospitals for the mentally ill, and in the treatment of the mentally ill?

Mr. FOGARTY. We do not have all specific projects brought to our attention, because we do not pass on specific projects. These are funded after applications from the universities are submitted and approved and unless funds are earmarked in this appropriation bill we do not always hear about the work that is being carried on in the many different institutions under thousands of different grants.

Mrs. BOLTON. I have been living under a delusion. I thought your committee was one having oversight over these various studies and various methods of going forward with them.

Mr. FOGARTY. No. They have the best people in the country operating the National Institutes of Health.

Mrs. BOLTON. Who does the gentleman mean by "they"?

Mr. FOGARTY. The Government. The Science Foundation, the Defense Department, and almost every other agency in Government with a large research grant program has followed the formula established by the National Institutes of Health because that has been determined by people in this area to be the best form up to this point.

Mrs. BOLTON. Then the National Institutes of Health is responsible?

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mrs. BOLTON. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I would like to add to the comments made by the chairman of the subcommittee. This program at Princeton is financed through grants from the National Institute of Mental Health. Princeton is taking part in this program and I expect they will continue in 1966. I have not reviewed the Princeton project thoroughly. It is my understanding they will be funded further in the fiscal year 1966.

Mrs. BOLTON. Only through 1966? If one wants to find out, one should go to the NIH, or where?

Mr. LAIRD. I can say to the gentleman this approval would be by the Council.

Mrs. BOLTON. What council?

Mr. LAIRD. The National Advisory Council on Mental Health is the council that reviews these applications, and the continuation of this program is decided by the Council. I can assure the gentleman from Ohio this is in the approved category, as I understand it. I will check on this so that we have the correct information, but I can assure the gentleman there are funds in the bill for this program if the Council approves it.

Mrs. BOLTON. I was wondering who passes on them?

Mr. LAIRD. The Council which is appointed by the Surgeon General of the Public Health Service, Dr. Luther Terry. These councils are recommended by the Director of the National Institute of Mental Health and submitted to the Director of the National Institutes of Health, Dr. Shannon, and finally appointments are made by the Surgeon General of the United States with the approval of the Secretary of HEW. These are all eminent, well-qualified people in the various areas. The Coun-

cil on Mental Health passes on all of these particular applications and I shall place in the Record at this point the names of members of the Council.

NATIONAL ADVISORY MENTAL HEALTH COUNCIL  
Dr. Jack R. Ewalt (65), professor of psychiatry, Harvard Medical School, Boston, Mass.

Dr. Louis S. Goodman (66), professor and head, Department of Pharmacology, University College of Medicine, Salt Lake City, Utah.

Mr. Mike Gorman (65), executive director, National Committee Against Mental Illness, 1028 Connecticut Avenue NW., Washington, D.C.

Dr. George C. Ham (65), professor of psychiatry, University of North Carolina, Chapel Hill, N.C.

Mrs. Geraldine Joseph (67), 5 Red Cedar Lane, Minneapolis, Minn.

Dr. Paul V. Lemkau (63), professor of mental hygiene, School of Hygiene and Public Health, Johns Hopkins University, Baltimore, Md.

Mr. J. Quigg Newton, Jr., (68), president, Commonwealth Fund, 1 East 75th Street, New York, N.Y.

Dr. Charles R. Strother (67), professor of psychology and director, Pilot School, University of Washington, Seattle, Wash.

Senator Robert D. Williams (66), the senate, California Legislature, State Capitol, Sacramento, Calif.

Dr. Robin M. Williams, Jr. (67), professor of sociology, Department of Sociology, Cornell University, Ithaca, N.Y.

Dr. Cecil L. Wittson (66), dean, College of Medicine, University of Nebraska, Omaha, Nebr.

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Dr. Luther L. Terry (Chairman), Surgeon General, Public Health Service, Washington, D.C.

Dr. John J. Blasko, Director, Psychiatry, Neurology, and Psychology Service, Veterans' Administration, Washington, D.C.

Capt. Ralph L. Christy, Medical Corps, U.S. Navy, Head, Neuropsychiatry Branch, Bureau of Medicine and Surgery, Navy Department, Washington, D.C.

Mrs. BOLTON. I thank the distinguished gentleman very much as well as the chairman of the committee, the gentleman from Rhode Island [Mr. FOGARTY].

Mr. FOGARTY. Mr. Chairman, I yield 5 minutes to the very distinguished member of our subcommittee, Mr. MATTHEWS, from the great State of Florida.

Mr. MATTHEWS. Mr. Chairman, I want to congratulate the distinguished chairman of our subcommittee for the magnificent work he has done and to say how much I have enjoyed working with the Members on both sides of the aisle on this particular appropriation bill.

Mr. Chairman, when I first assumed my duties on this subcommittee dealing with the medical sciences after having served 10 years with the Committee on Agriculture, I told the distinguished doctors who were visiting us one day that I felt like the gentleman of whom my colleague from Florida [Mr. ROGERS] told about one day some years ago.

This gentleman was a porter in a drugstore and all in the world he had to do was to sweep the floor. He never asked any questions. He never answered any questions. All he did was sweep the floor. But on this particular occasion, the owner of the drugstore had to leave a little bit earlier so he called the porter

and he said, "Now, John, all you have to do is close the door when you get through sweeping. Do you understand?" The porter said, "Yes, sir." The owner closed the door and left. The telephone rang. The porter went to the telephone and he said, "Hello." A voice on the other end of the wire said, "Do you have Aureomycin, streptomycin—penicillin?" The porter said, "Hello." and the voice at the other end of the wire repeated, "Do you have Aureomycin, streptomycin—penicillin?" The porter said, "Boss, when I told you 'hello,' I told you everything I know."

So I had somewhat that feeling about these medical terms when I first began to discuss this important bill. But it was not long before it made sense to me. I have thoroughly enjoyed my association with this great committee.

Mr. Chairman, I want to call particular attention to page 11 of the committee report to a statement concerning compliance with the Civil Rights Act. I quote from the report of the committee:

The committee recommends that there be developed, at the Washington level, a more expeditious way of processing applications which have been forwarded by local, State, and district school boards signifying compliance with the Civil Rights Act. The committee has received information indicating that there have been undue delays in processing these applications.

I have had extensive conversations with our State superintendent of public instruction in Florida, Hon. Thomas D. Bailey, about this problem.

Superintendent Bailey has reported to me that our county school boards and superintendents have faced the matter of complying with the Civil Rights Act with a high degree of responsibility. They have endeavored to follow the law and the directives of the U.S. Office of Education to the best of their ability. In spite of some disagreement with the Civil Rights Act, their morale has been high and their approach to solving the problems promises to be effective. However, the patience of our people has its limits, and the morale in complying with the Civil Rights Act is likely to be completely destroyed, owing to the fact that it seems to be impossible to get action, decisions, and information from the U.S. Office of Education.

After many, many days and weeks of effort, the statement of compliance by the Florida State Board of Education was finally approved by the Commissioner of Education on Wednesday, April 14, thus enabling Florida to channel certain Federal funds to eligible county school systems and to secure approval of State plans for vocational education and other programs. We, of course, are grateful to Commissioner Keppel and his assistants for this favorable action, but it is just one little step forward. While we take this one little step forward, we take, I am afraid, two steps back, because we have not solved the problem of getting approvals for channeling Federal funds and federally subsidized services to our county school systems and our other educational institutions.

We in Florida have three principal problems.

First, our public junior colleges and two of our county school systems, Dade and Charlotte, signed HEW form No. 441, assurance of compliance with the Civil Rights Act of 1964. Under advice from the U.S. Office of Education personnel that there was no alternative for them to sign form No. 441 and also on the assurance that it was proper for them to do so, our junior colleges executed this form. Dade and Charlotte County school boards executed the form on the basis that they were in good faith desegregated. According to regulations and instructions sent out by the U.S. Office of Education, county school systems and institutions which have properly executed form No. 441 are eligible to participate in federally subsidized educational programs without restriction or question. However, it is my understanding that Superintendent Bailey has been advised by telephone from the U.S. Office of Education that Florida should not channel funds and services to these institutions and counties until further notice from the U.S. Office of Education. Now, these counties and colleges apparently have complied with all requirements of law and regulations, and I think they should be advised that they are in order, or notified specifically that they are not and why they are not so they can plan accordingly.

Let me point out another problem facing us in Florida. School districts which are not fully desegregated or under court order for desegregation are permitted under U.S. Office of Education regulations to submit plans of compliance leading to desegregation. Such plans have been submitted by 52 of the 67 counties, the earliest under date of February 5 and the latest on March 12. Approval of these plans by the U.S. Office of Education is necessary if these counties are to continue to participate in Federal funds. As of the last time I talked with Superintendent Bailey—I emphasize, this was on April 19, and there may have been some changes since, but I doubt it—Florida had received no official notice whatsoever concerning the acceptability or nonacceptability of any of these 52 plans of compliance. Our people have been told informally by telephone that two plans have been found acceptable, and two have been found unacceptable, but no official word has been received about any plan. Thus, our county school boards are left in the position of not knowing which way to turn. They cannot work on revising their plans, if they are not in good order, because they have not been notified that they are unacceptable. Most of these plans provide for notices to parents and pupils before the end of the present school year. With the approach of the closing of schools, time is running out to implement these plans this year, even if they are found to be acceptable. This is developing into an impossible situation for our county school boards in Florida. An early decision on these 52 plans, one way or the other, is imperative.

Let me emphasize now, the third problem. We in Florida are asking the U.S. Commission of Education for a favorable ruling that expenditures will be valid

for National Defense Education Act audit and matching purposes, provided they are made subsequent to the submission of plans for compliance to the State Department of Education for transmission to the U.S. Office of Education, even though this date may precede the date when final approval of the plan for compliance is given by the U.S. Office of Education. If a favorable ruling on this is not received, our county school systems and other institutions will lose very large amounts of Federal money for education, and their educational programs will be damaged. Let me emphasize that students of all races, colors and creeds will suffer. Our people in Florida have been advised by personnel in the Office of Education who are responsible for administering the Civil Rights Act that this proposal does not affect the civil rights aspect of their program, but relates only to the accountability for the funds.

I think, then, Mr. Chairman, that the statement of the committee is certainly an understatement of fact. Surely we need at the Washington level a more expeditious way of processing applications which have been forwarded by local, State and district school boards signifying compliance with the Civil Rights Act. I hope the appropriate authorities will take this suggestion of the committee to heart and will give people all over America much prompter action in this important matter.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I will be delighted to yield to the gentleman from Iowa.

Mr. GROSS. I do not understand the use of the word "applications" in this connection, because libraries in my district have been served with notice that they must sign not applications but an "assurance of compliance." They are not called applications. The title of the form, as issued by the Department of Health, Education, and Welfare, is "Assurance of Compliance." I do not understand where the committee in its report on page 11 gets the word "applications."

Mr. MATTHEWS. Let me point out the action of the committee was directed toward the Office of Education. What the gentleman is talking about is connected with the Department of Health, Education, and Welfare.

Mr. GROSS. That is correct.

Mr. MATTHEWS. And that problem was not called to our attention.

Mr. LAIRD. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. PELLY].

(Mr. PELLY asked and was given permission to revise and extend his remarks.)

Mr. PELLY. Mr. Chairman, I have noted with approval the statement contained in the committee report, on page 25, which points up that the Congress has a right to expect the executive branch to present a forward-looking budget. This report points up further that such a budget should provide for the growing capability of science, as well as the increasing cost and sophistication of our scientific effort. This report goes on to state that in the absence of adequate budget estimates, it is necessary for the

committee to examine the real needs of the programs.

I do not think, Mr. Chairman, that anyone familiar with my voting record will accuse me of being overliberal when it comes to appropriations; but I want to state here and now that I fully support the committee statement with regard to adequate budget estimates, and feel that, while Congress should cut out waste, it has an equal responsibility to add funds for necessary programs.

In this connection, I want to say that I note with approval that the committee has added funds not requested in the budget for several new programs having to do with the health needs of our time and our country. I refer, for example, to the fact that the committee has included \$2½ million over the budget request for the National Heart Institute, to launch an artificial heart development program. In other words, Mr. Chairman, I believe there is an immediate need for an artificial heart device which can be safely used, and that in spite of the fact that the budget request failed to ask for funds for developing some new equipment along this line, funds should be provided, and I am glad they are provided in this legislation for this purpose.

Likewise, Mr. Chairman, I fully support the inclusion of \$2 million in this bill, over the budget request, for the Institute of Arthritis and Metabolic Diseases, to accelerate research on hemodialysis and related methods of blood and lymph purification, and for studies on the uremic syndromes. The testimony fully supports the need and desirability of funds for developing new methods in connection with kidney failure.

Mr. Chairman, I have observed firsthand these methods developed in recent years which permit the saving of lives of patients who have suffered the loss of kidney function, through the repeated use of the kidney machine. This technique, while expensive and limited in its capacity, is available at the University of Washington Medical Center, and likewise, at the Swedish Hospital in my congressional district in Seattle. The equipment and artificial kidney facilities are constructed in my district; in fact originally pioneered in Seattle and I know firsthand that people are being kept alive and leading normal lives who otherwise, because they have lost the use of their kidneys, could not survive.

So, as I say, in spite of the fact that these new programs are not in the budget, I commend the committee for providing additional funds for these specific new programs.

It is as simple as this, Mr. Chairman, these increases will enable many of our citizens to live useful and purposeful lives; failure to provide these increases will, in effect, condemn a number of afflicted people to death. So, as I say, I express my appreciation to the committee for providing these funds, even though the President had not requested them.

The CHAIRMAN. There being no further requests for time, the Clerk will read the bill for amendment.

The Clerk read as follows:

Page 1, line 22:

BUREAU OF EMPLOYMENT SECURITY,  
SALARIES AND EXPENSES

For expenses necessary for the general administration of the employment service and unemployment compensation programs; performing functions under the Manpower Development and Training Act of 1962, as amended; and administration of the Farm Labor Contractor Registration Act of 1963; \$2,160,000, together with not to exceed \$15,434,000 which may be expended from the employment security administration account in the Unemployment trust fund, of which \$1,708,000 shall be for carrying into effect the provisions of title IV (except section 602) of the Servicemen's Readjustment Act of 1944.

Mr. ROGERS of Florida. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I rise to ask a question of the chairman of the committee. I see that on page 5 the committee put in a statement in its report concerning the domestic farm labor program. We in Florida have had great difficulty, particularly now and in the preceding days, during the current harvest. I have found that the Bureau of Employment Security is a very difficult agency to deal with. They have been most unrealistic and most unhelpful in trying to handle adequate farm labor for Florida. Everyone agrees domestic labor ought to be hired first if available, but after that there is a law which the Congress passed and which is now on the books, Public Law 414, which says that if domestic labor is not available, then the Secretary may administer this with the Attorney General. I want to ask the chairman if this was the understanding of the committee as to the intent of Congress.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the chairman.

Mr. FOGARTY. That is the understanding of the committee, I might say, and that is why we put this language in the report that if domestic labor is not available for perishable fruits to be picked, which have to be picked in a 2- or 3-week period, let us say, then we expect to make some exceptions along this line and I understand that this situation has been in effect in three or four States during the past 3 or 4 weeks.

Mr. ROGERS of Florida. I thank the gentleman. I would like to bring to the attention of the Secretary of Labor who, I hope, will read this Record, that we do need some help in the celery crop and the sweet corn crop in Florida. For the Secretary's benefit I want to quote the committee:

The committee agrees that foreign labor should not be imported if there is capable domestic labor available to do the job. However, the timely availability of labor for the harvesting of perishable agricultural products is essential. Lack of it can mean bankruptcy for individual farmers and shortages and higher prices for consumers. Timely availability of labor under current circumstances cannot be assured with the domestic farm labor programs we have had in the past.

I agree completely with the statement the committee has made in its report. I

hope the Secretary of Labor will act now before it is too late to do something about getting the proper kind of labor to these farmers who have the crops ready to harvest. I hope this will spur the Secretary to some action.

Mr. MATTHEWS. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I want to apologize to the Committee for rising so soon after I have already spoken just a few minutes ago. But I want to take this opportunity to thank the chairman of our subcommittee, the gentleman from Rhode Island [Mr. FOGARTY], for the amount of time that he gave us to discuss this particular problem in our subcommittee.

I want to say to my colleague from Florida [Mr. ROGERS]—and I notice here the gentleman from Florida [Mr. HALEY] and others of us from Florida who are particularly interested in this problem of adequate farm labor that we interrogated Secretary Wirtz at great length. Of course, this is a very serious problem. We all know that. There are good men on both sides of this issue, but I said to Mr. Wirtz that we in Florida feel that we simply cannot get enough domestic labor to harvest our crops. I pleaded with him to help us in every way he possibly could to see that we got enough domestic labor and if we could not get enough domestic labor, not to close the door to offshore labor.

The committee included all of the funds that we felt Secretary Wirtz needed to try to recruit ample domestic labor. I am very grateful for that fact. But I want to say very frankly, and just as forcefully as I can, Mr. Chairman, that I just do not believe that this problem is going to be solved by domestic labor alone. That is my own personal opinion. And I think that is the opinion of the majority of our farm producers in the State of Florida.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I yield to my colleague from Florida.

Mr. HALEY. Mr. Chairman, may I say to my good friend from Florida that this is a serious problem not only in the State of Florida but in many other parts of the Nation. Many States are having the same problem. We must have a practical understanding of what is involved here. At certain times of the year in the gathering of perishable crops it is necessary to have a tremendous amount of labor, and unless you have it at the particular time you can lose a whole season's work. I, too, hope that the Secretary will be practical about this matter and not only give some relief to Florida but to our great sister State of California and to many other parts of our great Nation.

Mr. MATTHEWS. I thank the gentleman.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I am glad to yield to the gentleman from California.

Mr. TEAGUE of California. I thank the gentleman from Florida and all of the gentlemen from Florida for having brought this problem once more to the

attention of the membership of the House of Representatives.

I have spoken often here and made this same point many, many times.

I have just returned from California and I would like to relate this situation to the Members of the House. As I predicted and said so often, the press and people who say that imported labor is brought here as slave labor and labor only for the use and the interest and profit of large corporate farmers, are entirely wrong. The large corporate farmers in California at least are doing pretty well. They are outbidding the little farmers in piece rates and they can afford to mechanize. They are and have been for some time providing adequate housing and they are fairly well.

However, it is the little farmer, the family farmer, and the people we have been bleeding for for so long in this House, at least in California, who are going to suffer and suffer very, very heavily this year and for several years to come.

Mr. Chairman, I repeat, it is not the big farmers that are hurting. It is the little farmers.

Mr. MATTHEWS. I thank the gentleman for his observation.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. MATTHEWS. I am delighted to yield to the gentleman from California.

Mr. DON H. CLAUSEN. After the appearance of the Secretary, Mr. Wirtz, before your committee, did you arrive at any conclusions or did he give you anything in the way of encouragement with reference to this problem? I would like to have a response from the gentleman as to how Secretary Wirtz responded to the gentleman's inquiry.

Mr. MATTHEWS. I must say that he felt that in the near future we could do without any labor other than domestic labor. But I will say that he assured us that he would approach this matter with fairness. Since that time, of course, he has been to our own State of Florida, but it is Secretary Wirtz' belief I believe that in the very near future we are not going to need any labor other than domestic labor, and it is on that issue that I disagree with him.

Mr. DUNCAN of Oregon. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would just like to say on this issue that there are a number of Members who are concerned with this problem. However, I believe we can assure the membership that this subcommittee has fulfilled its responsibilities fully in this field of farm labor. I believe we have given each dollar that was requested by the Secretary in order to carry out his domestic recruitment program.

The gentleman from Florida and myself and other Members, as well as the chairman of the full committee, the gentleman from Texas [Mr. MAHON], are vitally interested in this and we expressed our opinion to the Secretary that while we were not confident that he would be able to fully meet the needs of agricultural labor from domestic sources, if he were unable to do so, we



did not want it to be because this subcommittee had denied to him \$1 of the funds which he said were necessary.

We urged him, and I think the Secretary is well aware of the extreme importance of agricultural labor in gathering the crops off the trees, as in the case of my State, or gathering the crops off the plants as is the case in the other States at the time they are at their maximum peak for harvesting.

Mr. Chairman, there are many more jobs involved in this problem than just the jobs of people who harvest the crops. There are transportation jobs and jobs in the canneries and there are distribution jobs and indeed the whole field of consumer relations is involved.

I believe we can assure this House that this committee has fully fulfilled its responsibilities.

Mr. CEDERBERG. Mr. Chairman, will the gentleman yield?

Mr. DUNCAN of Oregon. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I agree with the gentleman and share the gentleman's concern about what is happening in this particular area. We in the State of Michigan are concerned particularly with the pickle growers. It is not a big commodity but it is one of concern in our area. The pickle farmers are unable to get the people necessary to handle this crop, and unless something is done there is going to be a tremendous loss. As the gentleman pointed out, there are people who work in canneries that are involved. So, unless the Secretary of Labor makes some change in his present attitude, I feel we are going to have a real economic loss to many farmers in the State of Michigan and the stoop labor just is not available to do the job.

As far as we are concerned, if the Secretary of Labor can find them, we would be glad to have them to do the job.

Mr. DUNCAN of Oregon. I think everyone in this room will agree that the jobs ought to be performed by American labor if American labor can be found to do the job. It is the purpose of these appropriations under discussion at the present time to assist the Secretary in locating and bringing to the field the necessary domestic labor. If it is available I am certain the Secretary will fulfill his responsibility to see that the crops are harvested.

Mr. BYRNES of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to make inquiry about the funds and the distribution of funds for manpower development and training activities. It seems to me this is one of the programs that we have that has great potential for good in operating and increasing the training of our people. Yet, I understand there are some complaints about the question of whether these funds are being distributed to the States on the basis of the formula that was contemplated by the original substantive legislation. I see where we are appropriating in this bill \$273,500,000 for this purpose. I am wondering how this is to be allocated between the States, and whether it is being allocated in accordance with the fundamental formula that

was anticipated in the substantive legislation.

Mr. FOGARTY. I may say briefly that these funds are distributed on a formula basis, mainly on population. If some of the States do not take advantage of these funds then the Secretary can distribute them to other States that have applications pending. As I understand it, this redistribution is made almost automatically. The gentleman from Wisconsin [Mr. LAIRD] has made a thorough study of this and knows more about it than I do. Maybe he can give you a better answer.

Mr. LAIRD. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Wisconsin.

Mr. LAIRD. I appreciate the compliment of the gentleman, but I assure the House that the gentleman from Rhode Island does know more. No one knows as much about this as he does.

As far as the distribution formula is concerned, there have been amendments made to this distribution formula. It provides no allocation can be made until after the first two quarters of the fiscal year. The Department of Labor has not followed through on its commitment to the Committee on Education and Labor in this area. This year they went ahead and made distributions by which at least one State received 500 percent of its allocation under the law, while there were applications pending in other States that had not received even 50 percent. In the testimony before the Committee on Education and Labor a record was made last year that this would not happen. We have admonished the Department of Labor not to follow this practice again, and I would hope no allocation or redistribution is made until after the third quarter of the fiscal year 1966. The gentleman from Wisconsin is entirely right, this allocation formula has not been followed properly by the Labor Department. I am sure, in view of the interest we have expressed in this whole program, that they will not follow this procedure again.

I would like to include at this point the allocation that will be made for the fiscal year 1966 on the basis of the appropriations in this bill. Of course, these figures are pretty much illustrative since they are based on the old law. We will get revised figures when we have hearings on the supplemental in a few weeks.

*Estimated distribution of funds for training and allowances under title II of the Manpower Development and Training Act for fiscal year 1966 (based upon one-third State matching of institutional training costs and trainee allowances)*

[In thousands of dollars]

State	Total estimated funds <sup>1</sup>	Estimated Federal funds	Estimated State funds
U.S. total.....	340,195	245,861	94,334
Alabama.....	4,729	3,417	1,311
Alaska.....	680	492	189
Arizona.....	1,905	1,377	528
Arkansas.....	2,585	1,869	717
California.....	41,640	30,093	11,546
Colorado.....	3,538	2,557	981
Connecticut.....	4,967	3,590	1,377
Delaware.....	782	565	217
District of Columbia.....	1,361	983	377
Florida.....	6,736	4,868	1,868

*Estimated distribution of funds for training and allowances under title II of the Manpower Development and Training Act for fiscal year 1966 (based upon one-third State matching of institutional training costs and trainee allowances)—Continued*

[In thousands of dollars]

State	Total estimated funds <sup>1</sup>	Estimated Federal funds	Estimated State funds
Georgia.....	5,545	4,008	1,538
Guam.....	68	49	19
Hawaii.....	1,089	787	302
Idaho.....	1,395	1,008	387
Illinois.....	19,187	13,867	5,320
Indiana.....	6,668	4,819	1,849
Iowa.....	4,354	3,147	1,207
Kansas.....	3,742	2,704	1,038
Kentucky.....	5,545	4,008	1,538
Louisiana.....	5,069	3,668	1,401
Maine.....	1,327	959	368
Maryland.....	4,286	3,098	1,189
Massachusetts.....	12,213	8,826	3,387
Michigan.....	13,370	9,662	3,707
Minnesota.....	6,226	4,499	1,726
Mississippi.....	3,363	2,434	929
Missouri.....	7,926	5,729	2,198
Montana.....	1,089	787	302
Nebraska.....	2,279	1,647	632
Nevada.....	714	516	198
New Hampshire.....	987	713	274
New Jersey.....	14,696	10,621	4,075
New Mexico.....	1,225	885	340
New York.....	38,918	28,127	10,792
North Carolina.....	6,226	4,499	1,726
North Dakota.....	1,259	910	349
Ohio.....	19,085	13,793	5,292
Oklahoma.....	3,324	2,499	924
Oregon.....	3,470	2,508	962
Pennsylvania.....	23,845	17,235	6,610
Puerto Rico.....	3,096	2,237	859
Rhode Island.....	1,633	1,180	453
South Carolina.....	3,470	2,508	962
South Dakota.....	1,191	861	330
Tennessee.....	5,443	3,934	1,509
Texas.....	13,642	9,859	3,783
Utah.....	1,667	1,205	462
Vermont.....	782	565	217
Virginia.....	4,525	3,270	1,255
Virgin Islands.....	68	49	19
Washington.....	5,851	4,229	1,622
West Virginia.....	2,722	1,967	755
Wisconsin.....	7,858	5,679	2,179
Wyoming.....	816	590	226

<sup>1</sup> Based upon fiscal year 1965 apportionment factors. Public Law 84-415, sec. 310, requires annual redetermination of State apportionment factors.

Mr. BYRNES of Wisconsin. The gentleman does feel that the committee has assurances that at least in the coming fiscal year the allocation of this \$273 million appropriated here will be in accord with the formula, and that there will not be this distribution to States that already have had their fair share until all of the applications have been processed.

Mr. LAIRD. I believe the Department of Labor will follow that procedure, and we urge them to do that.

Mr. BYRNES of Wisconsin. I thank the gentleman.

The Clerk read as follows:

BUREAU OF INTERNATIONAL LABOR AFFAIRS

*Salaries and expenses*

For expenses necessary for the conduct of international labor affairs, \$1,204,000.

Mr. GROSS. Mr. Chairman, I move to strike out the last word.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I should like to ask a question or two concerning the subject of the Bureau of International Labor Affairs. How is this money expended? Is this in connection with the International Labor Organization?

Mr. FOGARTY. It is. I might say to the gentleman, this appropriation carries fewer positions in 1966 than they had in 1965. This is one area where we

have a reduction in the number of positions.

Mr. GROSS. This then is the money that is used to finance U.S. participation in the International Labor Organization?

Mr. FOGARTY. It does not finance the participation; no. But it backs up the international labor movement.

Mr. GROSS. Then there is money in another bill for that purpose?

Mr. FOGARTY. Yes, in the State Department.

Mr. GROSS. I see. A subcommittee of which I am a member held some hearings early this year or late last year in connection with the International Labor Organization and it appeared then that the U.S. representation was quite dissatisfied with what is happening in recent international conferences.

Mr. FOGARTY. That is in the State Department appropriation bill.

Mr. GROSS. I suppose the gentleman is acquainted with the dissatisfaction on the part of the American representatives in that they are having trouble with delegates of the Communist-dominated countries and with sympathizers of communism from other countries? I would hope that this committee would keep a close check with a view toward cutting this appropriation further if this situation continues to get worse.

While I have the floor, I would like to ask the gentleman a question concerning, I believe it is, the Office of Equal Opportunity and the medical examinations of the individuals applying for training under this new setup. Is there any money in this bill for these physical examinations or is that to be found in some other bill?

Mr. FOGARTY. No; you are talking about the Office of Economic Opportunity—the anti-poverty program?

Mr. GROSS. Yes.

Mr. FOGARTY. There is no money here for those purposes and we expect them to ask for any funds they need for personnel and any other services when they come before our committee in May—if the program is extended.

Mr. GROSS. I will say to the gentleman that I asked the question because I was amazed to learn the other day that where there is no veterans' facility or no USPHS facility to provide for Federal examination of applicants that local officials are authorized to pay as much as \$80 per person for examinations by private physicians.

Mr. FOGARTY. If they do that, it comes out of their appropriations and not out of this appropriation.

Mr. GROSS. But there is no money in this bill for that?

Mr. FOGARTY. No, there is no money in this bill for that purpose.

Mr. GROSS. I thank the gentleman.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. FOGARTY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Thompson of New Jersey, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 7765) making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1966, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. FOGARTY. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Speaker, I ask unanimous consent that I have permission to extend my own remarks and to include extraneous matter and tables.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.